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The Nation's Business

Changing Trend in Financing of Industries
Thornton Agrees with Beatty on Co-operation
Prevent Duplication

INDUSTRY USES LESS MONEY

BUSINESS is feeling an enlarged independence of the banks. The volume of loans of Canadian banking institutions has grown steadily in these past three years of expanding trade, but they have hardly kept touch with business development. This is because many concerns are now free from the necessity of any bank borrowings. The accumulation of reserves and the strengthening of industrial balance sheets by the ploughing back of earnings has given many companies large cash reserves. Goodyear Tire Company had a seven figure bank loan a few years ago and to-day it has $2,700,000 out on call, loaned for that matter in direct opposition to the banks who formerly had to finance the company's current operations.

Another influence that has tended to reduce industrial borrowings from the banks is the fact that many companies have taken advantage of bubbling markets to refinance and in doing so have raised sufficient working capital to meet their requirements without recourse to bank loans. Money has not been hard to get. One large warehouse company in Toronto, financed a couple of years ago, provided in its financing for three quarters of a million dollars of extra working capital, which is available to help finance its customers.

At the annual meeting of the Bank of Montreal, Sir Charles Gordon, the new president, referred to this new development and to another which has reduced the volume of bank loans. He said:

"While agricultural, commercial and industrial activities have been carried on during the year in greater volume than ever before, it cannot be said that the banks have felt any great strain from these sources. Here, as in the United States, many companies have carried over from the war period large reserve profits which now serve as working capital, and others have issued securities which, being absorbed by the public, have left them independent of the banks. An even more important factor, perhaps, is that the turnover in wholesale and retail business is now much more rapid and that therefore the banks are not called upon to finance such relatively large stocks as formerly. This change was inaugurated under pressure of necessity following the post-war depression, but the principal reason for its continuance is the extraordinary improvement in transportation facilities, permitting of a more rapid replenishment of stocks. While automobile traffic has had its part in this change. I think the public hardly realizes how much of it is due to the increased efficiency of our railways."

* * *

RAILWAY CO-OPERATION

THE decision of the Canadian National Railway to join with the Canadian Pacific in the ownership and operation of the northern railways in Alberta and the announcement of Sir Henry Thornton that his company does not plan to build a new hotel in Toronto to compete with the Royal York are both comforting. They give assurance that in these two directions rivalry between the two national trans-continental railways will not become a tax upon the public purse.

* * *

IF THE Canadian National was to give service to the Peace River district it was in the position of either having to share with the C.P.R. in the northern railways recently purchased from the Alberta government or to build what is known in railway circles as the Obed cut-off. But it was recognized that the Obed cut-off would not constitute a permanent solution of the question of a Western outlet from Peace River, a question that in future years is certain to assume increased importance. It was therefore thought to be the part of wisdom by both companies to join and work out the Peace River transportation problems together instead of initiating undue competitive measures. Both Beatty and Thornton have shown considerable vision and common sense in the arrangement.

* * *

THE railway situation in Nova Scotia has been particularly acute for some time and Ottawa has been under the impression, as revealed by a despatch from that city to The Financial Post last week, that the action taken by the Canadian Pacific Railway in sponsoring the erection of the Lord Nelson Hotel, in Halifax, represented an unwarranted invasion of Canadian National preserves by the senior and privately-owned railway company of the Dominion. But it may as well be frankly admitted that the Canadian Pacific is not making any sudden assault upon a Canadian National Railway preserve in building a hotel in Halifax. The Canadian Pacific already owns and operates some 300 miles of railway in Nova Scotia and has direct access to Halifax. It also owns and operates two hotels along the lines of its Nova Scotia subsidiary, the Dominion Atlantic Railway. C.P.R. officials would be excused for regarding their action in supporting the Lord Nelson project in Halifax as simply an attempt to assist Halifax people in their long continued efforts to obtain a new and modern hotel. Moreover, at the opening of the hotel, E. W. Beatty, chairman and president of the Canadian Pacific Railway, made it very clear that his company had no intention of duplicating any Canadian National lines in Nova Scotia or seeking running rights over the C.N.R. lines, as such competitive effort would merely reduce the profits of the Canadian National without increasing the profits of the Canadian Pacific. Rather, his company planned to continue their present route via the Digby ferry and to better that line from time to time.

* * *

IT WOULD appear, on the surface at least, that the two railways are earnestly striving to avoid unfair and unnecessary duplication and competitive construction. The country should feel relieved that Sir Henry Thornton has seen fit to follow the lead of Mr. Beatty in indicating that the Canadian National is no more desirous for such a condition of affairs than is the privately owned company.

Can. Marconi Stock Declines $90,000,000

POST ARTICLE PRICKS BUBBLE ON N. Y. CURB

Slump Quickly Follows Publication of Ignored Facts

UP SOMEWHAT LATER

New Price of $5 is Followed by Partial Recovery; Sir Joseph Flavelle Issues Formal Statement

Canadian Marconi shares have sold as low as $5 in the last week. There was a rush of selling on November 30 following the publication in The Financial Post of an exclusive interview with Sir Joseph Flavelle, Bart., in which he, as president and chairman of the board, declared that the shares had been too high at $3.

So great was the volume of selling orders that trading was suspended on the floor of the New York Curb shortly after noon on November 30 in order to give the specialists dealing the stock an opportunity to clear their books. Trading was resumed on Saturday morning.

At $28.50 per share, Canadian Marconi had a valuation of $128,383,370, there being 4,504,682 shares outstanding. At $5 per share, the company had a market valuation of $22,523,410.

This is a gross decline of $105,860,270 which followed the publication of facts concerning the company in The Financial Post of November 30.

At the current price of slightly under $9 per share, the company has a market valuation approximately $90,000,000 less than it had a week ago.

The stock closed at 19 on November 27. On November 28 (Wednesday) the stock reached a high of 28½ and closed at 22½ on transactions totaling 282,000 shares. November 29 (Thursday) was a holiday in New York and only 2,445 shares were traded in Canada, at 26 and 27.

And then the Deluge!

The deluge of selling orders came Friday morning, November 30, when the New York Times, Wall Street Journal, other newspapers and the financial news ticker quoted Sir Joseph Flavelle's statement and other facts from The Financial Post of that date. When trading was resumed on Saturday morning, the selling wave had received a further impulse from a formal statement from Sir Joseph Flavelle which amplified his previous utterances. The stock which had sold down to 12¼ on Friday and closed at 15, got down to 10⅝ on Saturday. Weakness continued Monday, December 3, the low figure of 5 being reached. On Tuesday there was some renewal of confidence, with the stock ranged between 8 and 10.

At $10 per share, the market valuation of the company is more than $45,000,000, the company having outstanding 4,504,682 shares of $1 par value.

"Nothing Undisclosed"

Sir Joseph Flavelle's second statement, which was widely circulated Saturday morning, December 1, read as follows:

In view of the recent rise in the quotations for its shares on the New York Curb market, the Canadian Marconi Company desires to state that there is no undisclosed information regarding the company which would account for this rise, or justify the price of the shares. The position of the company is fully disclosed in its last report and balance sheet which are in the hands of the shareholders and published in financial booklets. No material change has taken place since then, nor are there any developments pending which in the company's opinion could possibly justify the present price of the shares, or even that which prevailed before the recent rise. Attention is called to the fact that the company issued a similar statement nearly a year ago before speculation in the shares had reached any large proportion.

Still another factor in the weakness of the shares was the announcement of the foreign securities committee of the New York Curb that the shares no longer could be transferred from the name of a British subject. The fact that the control of the company had to remain in the hands of trustees nominated by Lazard Freres & Co., and British Marconi was pointed out in The Financial Post article.

The statement of the foreign securities committee of the Curb read as follows:

The special committee on foreign securities desires to call members' attention to the fact that the Guaranty Trust Company of New York has notified the Exchange that its London office has cabled that the foreign register of Marconi Wireless Telegraph Company, Ltd., has been closed. Therefore, in accordance with previous notice, the Guaranty Trust Company and its London office are no longer accepting for deposit any ordinary registered shares which are registered in the name of a British subject, as defined in the articles of association of Marconi Wireless Telegraph Company, Ltd.

However, the Guaranty Trust Company has stated that it will continue to accept for deposit ordinary bearer shares and ordinary registered shares which are not registered in the names of British subjects, in view of the fact that such certificates are already considered as held by foreigners.

Report Postum Buyer of Shredded Wheat Co.

Apparently Nothing Definite Resulted From Tuesday New York Meeting; Cash Transaction Likely

Shredded Wheat has been stronger on the market in the last week on reports that the company was being bought either by Goldust Corporation or the Postum Company. Postum is considered the more likely buyer.

There was a meeting in New York on Monday but the results apparently were indefinite, for the stock acted erratically on Wednesday.

The Ogden Mills family in New York are believed to control the company, with substantial holdings at Niagara Falls and Buffalo. It is reported that the insiders have said that they never would consider selling the company on any other basis than a cash price for all the shares in order that all the shareholders would be treated alike.

Two Prices Mentioned

Two possible prices have been mentioned—$115 and $120.

The company is expected to show a moderate increase in profits this year over last. Toronto interests in the company are of the opinion that the prevailing market price is reasonable in comparison with the market as a whole.

While the company is a New York incorporation, Toronto is the only exchange where the shares are listed and traded.

LAURENTIDE POWER SHARES IN BONUS OF SHAWINIGAN

Final Purchase Offer Made—Property Changes Hands Soon

From Our Own Correspondent

MONTREAL. — The Laurentide Power Company has received the final offer from the Shawinigan Water and Power Company for the purchase of the company as a going concern as and from July 31, 1928. The offer consists of a price in cash sufficient to pay all outstanding obligations of the company, as well as a cash payment to all holders of common shares, on liquidation, of the sum of $227.22 a share. As an alternative, shareholders are offered the sum of $151.67½ a share in cash, plus one and one-tenth fully paid no par value common shares of Shawinigan. At the present price of 88 for Shawinigan, this offer is worth approximately $248 for a share of Laurentide Power. This is $21.45 better than the straight cash offer and will obviously be accepted.

The offer is dependent upon the completion of the transfer of the property and assets on, or before, 29th day of December. A meeting of directors and shareholders will be held on December 18 to authorize the sale of the company. Shareholders who take advantage of the offer from Shawinigan must deposit their shares with the Montreal Trust Company, on or before, December 28.

Laurentide Power was organized in 1915 to supply the parent company, the Laurentide Company, with power at a low contract rate. Present annual capacity of the plant at Grand' Mère is 160,000 horsepower, and an additional 20,000 horsepower may be installed later.

The Canada Power and Paper Corporation, will benefit by the deal as it holds 72,000 shares of Laurentide Power.

The Canada Power and Paper Corporation will get for its holdings in its subsidiary $10,920,600 and 79,200 shares of Shawinigan common. At present market prices these shares are worth $6,969,600, representing a total of $17,880,200 in all.

Originally Shawinigan offered the Laurentide Power shareholders one share of Shawinigan plus $150 in cash for their stock. In the meantime, though, Shawinigan declared a stock bonus of one in ten—hence the present larger offer to the Laurentide Power shareholders simply allows them to participate in the Shawinigan stock bonus.

Dom. Woollens Profits Larger Than Expected

From Our Own Correspondent

MONTREAL. — The Dominion Woollens and Worsteds during the initial four months of its operations has experienced a substantial increase in earnings as compared with the earnings of the component companies during the corresponding period of a year ago. The new merger company's several plants located in Peterborough and in Hespeler are operating on full time—a situation which has not existed for some time.

The betterment in the business of the company is due particularly to the betterment in general business throughout the Dominion and to a lesser degree to the economies and efficiencies in management resulting from the co-ordinating of the operations of the two component companies now comprising the Dominion Woollens and Worsteds.

Canadian Woollens and the R. Forbes Company of Hespeler merged in June when a $2,250,000 bond issue was sold to finance the formation of the new company. Profits to date are in excess of those anticipated at the time of the merger.

CANADIAN DREDGE SHARES EARN $10 FOR NINE MONTHS

Open Weather Permits Continued Operations in December

Net earnings of the Canadian Dredge & Dock Co., for the nine months of its fiscal year from February 1 to October 31, after what the directors consider very liberal reserves for depreciation, federal income tax and various contingencies, were $618,872.

Preferred dividends for the period would require $78,750, leaving $540,122 available for the 50,000 shares of common stock, or somewhat in excess of $10 per share.

Three months ago, when the earnings for the first half of the fiscal year were disclosed, the company's net current assets—largely in cash and government bonds—exceeded $1,100,000. The company is now in an even stronger liquid position.

Expect Prosperous 1929

By the very nature of its business, the company realizes the greater part of its yearly profit during the first nine months of its fiscal year. A considerable part of the company's plant will remain in operation, however, until well toward the end of December, provided weather conditions remain favorable.

During the present year, the company has been engaged on contracts at Port Arthur, Rondeau, Sarnia, Port Maitland and Welland Canal in Ontario, at Ste. Anne de Beaupre and Anticosti Island in Quebec, at Dalhousie in New Brunswick and at Charlottetown in Prince Edward Island. A number of these will provide further work next year.

The directors are said to expect a prosperous year's business in 1929.

Dominion Stores

It is expected that shareholders of Dominion Stores soon will be offered rights to subscribe for additional stock. Sales of Dominion Stores will exceed $22,000,000 for the fiscal year ending December 31, compared with $18,280,716 in the previous fiscal year.

Lake of the Woods Bakeries Operating on Profitable Basis

From Our Own Correspondent

MONTREAL. — It is understood that the Inter City Baking Company is making very satisfactory earnings. The company is a subsidiary of Lake of the Woods Milling and shortly should begin to return a good revenue to the parent company, which in addition obtains profits through the sale of flour to the baking organization.

Lake of the Woods Milling has a large equity in its baking subsidiary for the $1,750,000 common stock issue represents a cash investment in the undertaking by the milling company. The formation of the baking subsidiary was financed about six months ago through the sale of $1,600,000 in guaranteed bonds of the subsidiary.

While no quick market action is expected in the shares of Lake of the Woods, yet investment opinion now appears to favor the shares for a long pull more than has been the case in recent years.

Stock Market

MARKET INDICATOR

	High	Low
20 Industrial Stocks		
Week of Dec. 5	105.6	98.6
Week of Nov. 28	104.8	93.8
Month of December, 1927	86.0	78.3
8 Bank Stocks		
Week of Dec. 5	287	279
Week of Nov. 28	284	273
Month of December, 1927	259	249
10 Public Utilities		
Week of Dec. 5	117	112
Week of Nov. 28	117	110
Month of December, 1927	110	103

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	7	.	1	8
Paper	5	10	3	18
Steel	15	13	20	48
Foodstuffs	17	15	24	56
Utilities	14	7	14	35
Tractions	6	1	6	13
Textiles	6	2	11	19
Industrials	38	41	40	119
Total	108	89	119	316

COAST COPPER DEVELOPMENT SPEEDED SOON

Westinghouse Gets Order For More Electrical Equipment

BORNITE ORE FOUND

Available Facts Scarce But Rumor of Sale of Smelters Interest Appears Unfounded

A report circulated in Toronto in the last week that Consolidated Mining & Smelting had offered to sell its interests in Coast Copper for the cash it had spent plus 6 per cent. interest cannot be confirmed.

On the contrary, all the evidence which could be gathered, while not official, indicates that Smelters is well satisfied with its investment in and the possibilities of Coast Copper. Moreover, the recent placing of orders with Canadian Westinghouse for equipment for development of additional hydro-electric power by an affiliated company in the vicinity of Quatsino Sound, Vancouver Island, is cited as proof that the development programme at the mine will be accelerated.

3,000,000 Tons Blocked Out

Some months ago engineers working on the property are said to have admitted that 1,500,000 tons of ore had been blocked out. Actually, it is said, the ore blocked out totals 3,000,000 tons. At present prices for copper and allowing for liberal costs, this would give a real value to the stock considerably in excess of the market value.

Samples of ore indicate recovery of an average of five per cent. copper, with the possibility of gold at depth contributing toward milling costs.

Bornite ore has been found on the 1,000-ft. and 1,200-ft. levels. Bornite is an ore more easily concentrated than the ordinary copper ore. The last Smelters annual report refers to the drift on these two levels as having shown "mineralization of commercial importance." It is believed that this refers to the bornite, which had not been found on the 800-ft. or adit level.

Coast Copper is a hill-side operation. The original discovery was an outcropping on the peak of the small hill which slopes to a fairly level ground immediately in front of a lake. The adit, or horizontal approach, is called the 800-ft. level. It was cut a distance of some hundred feet until the vein was found, the outcropping of which was on the top of the hill. This vein slopes away from the lake.

Bornite is Discovered

A small shaft, or winze, was sunk from the adit level, beginning about two-thirds of the distance from the open air to the vein. From this winze, sloping in the same general direction as the first vein discovered, the 1,000-ft. level was cut, it being hoped to strike the first vein a second time.

But before this vein was reached, the bornite ore was discovered. As no bornite had been found in the first vein, it was believed that a new ore body had been discovered which did not follow the direction of the first. For this reason, the winze was sunk lower and the 1,200 level established. Almost directly under the location of the first bornite discovery, more of the same grade of ore was found. This strengthened the opinion that a second ore body, more important than the first, exists. The winze is being carried to greater depth. Temporarily, the cross-cutting in the direction of the first vein has been stopped. It is said that the engineers believe the main ore body to be under the plateau or lake rather than in or under the hill.

Railway is Expected

Rising prices for copper are believed to have determined Smelters to accelerate the development of Coast Copper.

Lack of modern transportation is the principal obstacle in the way of the building of a concentrator and bringing the property into early production. A wagon road, improved in the last year, is the only means of communication with tidewater, on the east side of Vancouver Island.

Decision of Smelters to build a concentrator on the property, it is believed, will bring an announcement of railway construction. The close connection between Smelters and the Canadian Pacific, it is thought, will prevent any delay in building the line if the railway company can be convinced of a fair amount of traffic.

There has been talk of a Smelter at the coast for some years.

Coast Copper capitalization is low. Of the 200,000 shares of $5 par value, Consolidated Smelters owns more than 122,000 shares and of the remaining 77,000 odd shares, substantial blocks are thought to be locked away by persons close to the management. Coast Copper has no money in its treasury but its operations are being financed and managed by Consolidated Smelters. It is said that Coast Copper now owes the parent company about $2,000,000.

The stock achieved a record high price three weeks ago at $66, or a total of $13,200,000 for the 200,000 shares. Allowing for the cash advances from Smelters, the $66 stock valuation placed a market valuation on the operation of $15,200,000. The current price of the stock between $57 and $60.

It is reported that there is a short interest in the stock. One estimate from a fairly authoritative source, is that the short interest totals 20,000 shares, or what is believed to be a majority of the floating supply. Most of those who have bought the stock for the long pull—and there appear to be many such—credit the rumors of a possible sale by Smelters as having emanated from persons interested in seeing the stock sell at lower prices.

Crop Estimates Made by Ottawa Are Inconsistent

Business Man Who Uses Them as Guide to Buying Power of Prairie Provinces is Much Confused This Year

WHEAT EXPERT SUGGESTS CHANGE IN PLAN

Private Parties Have Shown Themselves Better Able to Make Good Estimates Than Dominion Government—This Year's Estimates Disregard Plain Facts, Says Writer

The recent Dominion government wheat estimate was very disappointing, showing a decided drop from the earlier preliminary estimate. Our 550,000,000 bushel wheat crop shrank to around half a billion. Business men asked themselves what was wrong. Was the first estimate too high? Had weather conditions really cut 50,000,000 bushels off the wheat crop? Or is there something seriously wrong with Canada's crop reports. The Financial Post put the problem up to a wheat expert of recognized ability. He answers these questions in the following article.

On August 31, the Dominion Bureau of Statistics estimated the wheat crop of the Prairie Provinces at 527 million bushels, only to follow on October 31 with a calculation of 479 millions. Which of these estimates is representative of the actual size of the crop?

Barring the grain trade, who have their own means of determining the approximate production, and confining the question to the business man, what is the latter to do? At the present price level a 479 million bushel crop of wheat in the Prairie Provinces is roughly equivalent in value to only 85 per cent. of the value of the wheat crop last year. On the other hand a 527 million bushel wheat crop plus the gain in coarse grains, indicates a prospective business condition much the same as obtained last year, with not quite so many extremes as between districts because of a more even distribution of production this season, although because of special conditions likely to be somewhat slower in the early part of this year.

No Closer to Facts

For which condition is the business executive to plan? The natural reaction is to accept the later bureau estimate as correct and to put extra pressure on collections, restrict sales nearer to a cash basis and possibly curtail investment and expansion programmes.

But Dominion Bureau revised estimates are not usually any closer to the facts than are its earlier estimates.

Taking all the years 1920 to 1927 and comparing the estimates of August 31, October 31 and the so-called final in January, with what in each year the size of the wheat crop of the Prairie Provinces finally was proved to be, shows that the August 31 estimate has been closer than the later estimates in no less than five out of eight years. The October estimate has been closest once and the so-called final in January closest twice.

About the only course open with this year's Dominion Bureau estimates is to disregard both of them. The difference is so great that either one or both were obviously made on a faulty basis.

Continues Faulty Estimates

Just what the wheat crop amounted to is definitely proved within a very close range by the end of each marketing year, but fortunately long before that time each year, indications, reliable enough to fix the minimum size, make themselves apparent. This has been the case year after year but the Dominion Bureau never seems to pay any heed and continues to let estimates stand long after they are definitely proved to be away out. In Dominion Bureau records, Saskatchewan last year had a wheat crop of 212 million bushels, Alberta 171 millions, yet deliveries actually proved the former province to have had a wheat crop of 260 millions and the latter a crop of 160 millions—11 millions too high for Alberta and 48 millions too low for Saskatchewan—and these estimates still stand uncorrected in the official records along with similar errors in previous years, to serve as a source of confusion to anyone seeking to appraise and compare business results and other conditions.

While only four months of the marketing year, August, September, October and November,—have passed, deliveries already indicate the government estimate to be probably much too low. In the last five years, whether the crop was big or small, wheat deliveries at country stations after November 30th, have never been less than 27 per cent. of the total deliveries for the whole year. The percentage of the year's wheat marketings delivered after November 30th for the past five years was 39 per cent. in 1927-8, 29 per cent. in 1926-7, 27 per cent. in 1925-6, 35 per cent. in 1924-5 and 29 per cent. in 1923-4.

On the basis of the government estimate of 479,000,000 bushels of wheat, since 365 millions (120,000,000 more than for the same period last year) have already been delivered, allowing for seed, feed and country

(Continued on page 2, col. 3)

Freiman Common to Earn Over $1.65

A. J. Frieman, Ltd., will have profits of between $200,000 and $225,000 for the year ending January 31, 1929, according to estimates made by McLeod, Young, Weir & Co., investment bankers.

These figures compare with profits of $160,042 for the year ended January 31, 1928. Both figures are after depreciation and taxes or provision therefor.

Preferred dividends require $60,000 annually since the financing last April. Thus the profit per share on the 85,000 shares of common outstanding will be between $1.65 and $1.90 for the present fiscal year, compared with $1.18 for last year on the same capitalization.

C. W. Lindsay Common Earns $9, Sells at $33

Music House Profits Greatly When Public Steps Into Market for Radio Equipment—Preferred Convertible

From Our Own Correspondent

MONTREAL.—Earnings of the C. W. Lindsay Company, whose stock was recently listed on the Montreal stock exchange, are running at $9 a share on the 20,000 shares of common stock originally issued. A dividend of 25 cents a share was recently declared on this stock, which places it on an annual basis of $1 a share. The preferred stock is convertible into common on the basis of one share of preferred for three shares of common, up to December 31 of this year, thereafter at decreasing rates.

The present company was formed early this year following the acquisition of the original company by Johnston & Ward, Montreal investment house. C. W. Lindsay has its head office in Montreal, and branches in important points in Quebec and Eastern Ontario. An exclusive agency for the Steinway and Heintzman pianos is held by the company, and a wide retail business is done in pianos, phonographs, organs and radios.

The company is well established, having been in business for some 50 years as a privately owned concern. When the company's books close on February 28, 1929, it is expected that earnings higher than those of any previous year, will be shown. The common stock is changing hands around $33 a share and the preferred at $99 at the present time. The stock was listed on the Montreal Stock Exchange this week.

The preferred outstanding, totaling $1,200,000 6½ per cent., cumulative of $100 par value is convertible into common on the basis of three shares of common for one preferred this year, 2⅔ shares next year and two shares thereafter. There are only 20,000 shares of common outstanding.

It is understood that radio sales have contributed largely to the rapid growth in the company's earnings.

Loblaw Groceteria Stock Split Predicted

Directors of Loblaw Groceterias, Ltd., are reported to be considering the advisability of a split in the common stock, either on the basis of three-for-one or four-for-one.

It is expected that rights on the existing stock will be announced within a few weeks.

The stock sold off from a year's high of 110 to 76 during the summer months, but recently has been stronger, selling up to 100⅛ within the last ten days.

New competition in the chain-store field in Toronto does not seem adversely to have affected Loblaw's About 40 per cent. of the Loblaw Canadian stores are in Toronto.

Sales of the Canadian company for the four weeks ended November 24 were $1,314,993, as against $1,059,610 for the corresponding period of last year. This is an increase of 24 per cent. It is believed that the gross sales for the fiscal year ending next May 31 will exceed $18,000,000, compared with something under $15,000,000 in the last year,

SAY GOODYEAR SPLITS STOCK IN SEPTEMBER

Forthcoming Division in Shares Not Precisely Imminent

TRADE BEATS RECORD

First Two Months Exceed Same Months of 1928, With Hopes of Continued Growth

On transactions of less than [illegible] shares the common stock of Goodyear Tire & Rubber Co. of Canada rose on November 30 and December 1 from 205 to a record high of 240. The rapid ascent gave rise to the rumor that the forthcoming split in the stock was imminent.

So far as can be learned, the rapid rise was due to the placing of an order for 200 shares at the market. The stock does not come out easily and the filling of the order took the price up. Later transactions, this week, have seen the stock sell back to 225.

Year Promises Well

It is believed that the directors have not determined when the split will be announced. It may come, however, near the end of the next fiscal year, September 30. The basis has not been decided, but it is said that the board favors a four-for-one split, rather than five-for-one as was forecast some time ago.

The first two months of the current fiscal year have been the best October and November in the company's history.

Although it is early to estimate the year's results accurately, it is predicted authoritatively that the next report will show earnings in excess of $25 the share, compared with $16.64 in the last fiscal year.

Liquid Position Excellent

Working capital of Goodyear The in the last year increased by $1,[illegible]797 to $8,639,689. Of the liquid [illegible] the end of the last fiscal year, $[illegible]700,000 was in loans on call and $[illegible]522,444 was in cash. The current assets were 6.1 times the current liabilities. The company came through the rapid depreciation in the value of rubber in the last year without losing a dollar on inventory.

Appropriations for depreciation are extraordinarily liberal. It is said that the depreciated value of plant and equipment is some [illegible]000 less than when the New Toronto tire plant was built a number of years ago, although the capacity of the plant has been increased from 3,500 tires per day to 9,000 tires a day. At the end of the fiscal year 1923, the capital account, less depreciation, stood at $5,811,205. At the end of the fiscal year 1928, the capital account less depreciation was less, standing at $5,155,899 despite additions to buildings and productive capacity in the meantime.

Firstbrook Pfd. Listed

Firstbrook Boxes, first preference shares, were Wednesday admitted for trading on the curb of the Toronto Stock Exchange. The stock was offered at 94, no transactions, however, having been recorded. The code designation is FI.

These shares were offered for public subscription in July last through Gairdner & Co., the issue consisting of $500,000 7 per cent. Cumulative Sinking Fund Redeemable Convertible Preference Shares.

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Can. W. Gas	4, 13	Prud. Trust	3
Can. Marconi	1	Perfection Glass	3
Can. Dredge	1	Quebec Power	5
C. W. Lindsay	1	Rob. Mitchell	13
Crown Trust	2	Regent Knit.	9
Can. Bread	10	Steel of Can.	13
C. P. R.	16	Shawinigan	4
Can. Asbestos	12	Sou. Can. Power	4
Com. Fin.	13	Shred. Wheat	1
Dom. Trac.	5	Stand. Pave.	15
Dom. Wool	1	Sask. Cream.	19
Durant	9	St. Cath. Hotel	28
Dom. Stores	1	Sobie Silk	9
Fraser	8	St. L. P. & Lum.	8
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Fan. Farmer	13	Traymore	29
Goodyear	1	United Amuse.	11
Gen. Motors	21	Walmsley	9
H. & Erie	28	Wright Axle	9
Humber Shoe	8	West. Koot.	13

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Alex. Gold	32	Mon. Royalties	32
Abana	30	Noranda	31
Bobjo	32	Paymaster	31
Coast Copper	1	Pawnee	31
Eureka Kirk.	32	Prod. Royalty	32
Falconbridge	30	Price Oil	31
Hudson Bay	32	Ruth Hope	30
Holly	30	Sudbury	30
Int'l Nickel	30	Sherritt	30
Jay Copper	32	Treadwell	30
Jack. Manion	32	Vipond	32
Lebel Oro	30	Venus	31
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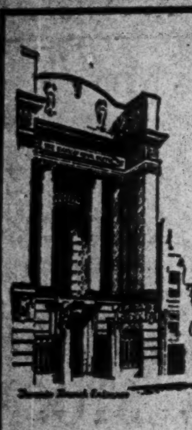

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Ogilvie's Said to Own Nasmith Toronto Bakery

Northern Bakeries Deal Still in Abeyance With Offer of Stock in New Company Almost Certain

Details are expected shortly concerning the acquisition of Northern Bakeries by Ogilvie Flour Mills Co. It was announced a week ago that negotiations were in progress whereby Ogilvie would secure control of Northern Bakeries through the exchange of shares in a new company which would be organized for Northern Bakeries and the other bakery units controlled by Ogilvie.

It was a surprise to learn that Ogilvie controlled baking companies. It is now said definitely that Ogilvie for some months has controlled bakeries in Toronto, Peterborough and elsewhere.

The Toronto bakery is believed to be Nasmiths.

Rumors that Northern Bakeries would be offered Ogilvie stock in exchange for their shares are not founded on fact. It is stated definitely that Northern Bakeries shareholders will be offered shares in a new company which will be controlled, but not owned outright, by Ogilvie.

CROP ESTIMATES MADE BY OTTAWA ARE INCONSISTENT

(Continued from page 1)

mill requirements which are closely determinable, there only remains roughly 59 million bushels to be marketed in the remaining eight months of the marketing year. This means that only about 14 per cent. of the possible marketings remains to come off farms, provided the Bureau estimate is correct. This is unprecedented and extremely improbable. In the past five years December marketings alone have averaged 36 millions and last year were 45 millions. Farmers are still calling for cars in numbers such as to make it unlikely that farm stocks are nearly as low as the Bureau estimate would indicate.

Wheat Buyers Know Better

Price levels were not affected by the latest government report. Buyers the world over make a point of being too well informed about our crop, once it is threshed, to allow themselves to bid up prices beyond the level warranted by actual supplies and any attempt to do so on the part of Canadians would only lead to a falling off in our wheat exports.

With such extreme changes it might be thought that the Dominion Bureau is rather slipshod about making estimates but examination of the facts will show that the greatest effort is made to secure not only a comprehensive survey in terms of numbers and proper distribution of local reporters, but also by a regular supervision to improve the qualifications of each local estimator.

Use Farmers to Estimate

The misfortune of the Dominion Bureau appears to be that too many of its local estimators are farmers who because of the psychological conditions existing among farmers at harvest time are not good estimators.

As between estimators one may choose from one or all of the following groups:

(1) Country elevator grain buyers.
(2) Station agents.
(3) Farmers.
(4) Professional men, local storekeepers, etc.

While odd good estimators undoubtedly could be found among the last class, the risk is too great and it is better to pick from the first three groups.

Characteristics Required

Capable estimators are more often found among individuals with the following characteristics:

(a) Experience with grain.
(b) No financial return dependent on price levels.
(c) The habit of estimating closely.
(d) On whom there is a check if estimates not correct.

Elevator grain buyers are experienced in grain matters, are not, in nearly all cases, marketing any grain themselves, must make frequent estimates for their companies who plan their business arrangements thereon, and on the country grain buyers is the check that if estimating wrongly they mislead their companies. Besides there is over each elevator agent a travelling superintendent who is an expert in sizing up crop conditions and this direct contact leads to careful estimates.

Elevator Agents Are Good

Yields per acre as estimated by elevator agents are on the average remarkably good and consistently closer than estimates prepared by other classes of estimators. The great difficulty experienced by grain interests in sizing up the production is not to get the average yield but rather to determine the acreage.

Station agents must make reports on which car requirements are estimated and this constitutes a check which leads to the agent being careful. Usually he is not very good at estimating, but gets his estimate from the elevator agent or an average from the estimates of farmers, grain buyers and others. Experience has shown, however, that his final sizing up is likely to be a little too high.

The farmer shows a tendency to make wider changes in his estimates than either the railway or grain agents. Of the estimates based on actual threshing results it is not uncommon to find the first estimate of the farmer as much as four or five bushels away from his final figure, while the grain buyers' difference is seldom more than two bushels and the station agents from three to four. A chief estimator using the reports of these different classes very often finds it wise to take into consideration the characteristics of the class who supply him with reports. In doubt, the chief crop estimator of a grain organization can get the estimate of the travelling elevator superintendents and has a check not available to others.

The farmer as an estimator is not good as a class. He is under too much of a mental strain about what the yield is likely to be. His hopes are all based on how many bushels to the acre he may get and what its quality may be. He has days of enthusiasm followed by extremes of doubt, and the crop he one day estimates at 25 bushels per acre, he is in another mood likely to call 20 bushels.

The Bureau relies too much on farmer reporters, the provincial governments who co-operate with the Bureau do so almost entirely.

The Dominion Bureau by concentrating on an even closer determination of acreage would make it possible for other organizations, who get more reliable reports as to average yields, to make much closer estimates. It is unfortunate that the Bureau should rely on local estimators whose frame of mind is too disturbed by crop and price conditions. The weak point of the Dominion Bureau system is the source from which the majority of its local reports originate.

No Cessation Seen of Prudential War

From Our Own Correspondent

MONTREAL.—The present management of the Prudential Trust Company has been successful in blocking, temporarily, the special general meeting of shareholders called for December 5. The meeting will be held only for the purpose of adjourning till December 18.

The new directors of the company, in their petition for this injunction, challenged the claims to a number of shares of stock held by the followers of B. Hal Brown.

The first year of the case of the Prudential Trust versus Prudential Trust is finished, and the situation seems to indicate that the first seven years of this legal battle will be the most strenuous.

Crown Trust Will Seek Increase in Capital Stock

From Our Own Correspondent

MONTREAL.—The Crown Trust Company will make application to increase its authorized capital stock to $5,000,000 at the next meeting of the Quebec Legislature. At present the authorized capital of the company is $1,000,000. In 1927 the company offered 5,000 shares of new stock to shareholders at $120 a share, which increased the paid up capital of the company from $500,000 to its present amount.

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Tape Readings

City Dairy

Trader—When should I sell my City Dairy common?

Investor—Not until the cows come home.

* * *

Ogilvie Flour

Entry of Ogilvie Flour Mills into bakery-ownership is reported to have been accompanied by an admission from the board that the company should have made the plunge some years ago in order to assume a stable demand for a portion of its output. Other companies have a big start but when Ogilvie gets control of Northern Bakeries it will have assured continuance of at least one important outlet for its products. Northern Bakeries has been using Ogilvie flour for some time.

* * *

Canadian Marconi

The drop in Canadian Marconi did not affect many Canadians. One explanation of the popularity of the stock is that many buyers in the United States have not learned their multiplication table and that 4.504,682 times the market price of 28 put a fabulous valuation on the company.

* * *

Bank of Nova Scotia

A rumor that cannot be confirmed is that Bank of Nova Scotia will be the next bank to offer new stock to its shareholders at something under the market price. It has been predicted that all of the banks will be seeking new capital in this way before long.

* * *

Kelvinator of Canada

One of the lower priced issues which has staged somewhat of a come-back in recent weeks is Kelvinator of Canada common, which is selling at $12 per share on the strength of reports that Chrysler has secured control of the parent company across the border. The Kelvinator of Canada preferred also has strengthened. The dividends are guaranteed unconditionally by the parent company.

* * *

Supertest

Supertest Petroleum Co. sales this year will have been 65 per cent. greater than last year, it is said. Moreover, it is reported that the increase has come from the old-established stations as well as from the new stations established during the year.

McColl-Frontenac Pays Initial Interim Dividend

From Our Own Correspondent

MONTREAL.—The directors of McColl-Frontenac have declared an interim dividend of 25 cents a share payable on January 15 to shareholders on record December 31. This will further increase the values of the rights offered to shareholders recently. An additional issue of 70,833 shares of no par stock was offered to shareholders on the basis of new stock for each six shares held, at a price of $20 a share. These rights were worth about $2 a share.

The company is understood to have enjoyed good results in the past year, and with a large expansion program planned for the future, is expected to show still further improvement next year. The interim dividend payment amounting in all to some $125,000 indicates the progress the company is making.

Southern Canada Power Co. Meets to Split Up Stock

From Our Own Correspondent

MONTREAL.—A special meeting of shareholders of Southern Canada Power Co., Limited, will be held after the annual general meeting on December 21 for the purpose of approving the proposal of the directors to subdivide the existing 100,000 shares of no-par-value common stock into 400,000 shares of no-par-value and to increase the authorized capital subsequently from 400,000 shares to 500,000 shares. Present shareholders will receive four new common shares for each one now held. The participating rights of the preferred will not be disturbed by the change.

Bank of Toronto Annual

Bank of Toronto annual meeting will be held January 16.

When Our "Tokens" Were Used For Change

Founded before Canada had any currency of its own, the Bank of Montreal early obtained authorization from the Government to issue copper tokens for small change.

Reproduced herewith is a one-penny token of 1838. The obverse shows the building then used by the Bank; the reverse bears the arms of the city of Montreal.

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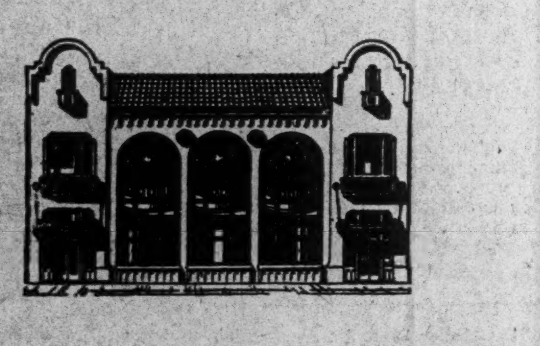

336-344 BAY STREET, TORONTO

Financial Toronto — and those who have occasion to visit the city — will learn with interest of the opening of the SAVARIN Restaurant.

This is a Restaurant De Luxe, the last word in excellence of appointments and service. The lower floor is equipped with counters where the service is quick and efficient.

The Windsor Room upstairs—a room of magnificent proportions and furnishings—is equipped with tables to seat two, four or six persons.

This restaurant will compare favorably with any on the continent. The cuisine will be wholly in keeping with the surroundings and appointments. You are invited to make this restaurant headquarters for Breakfast, Luncheon, Tea, Dinner and after-the-theatre Supper.

Savarin

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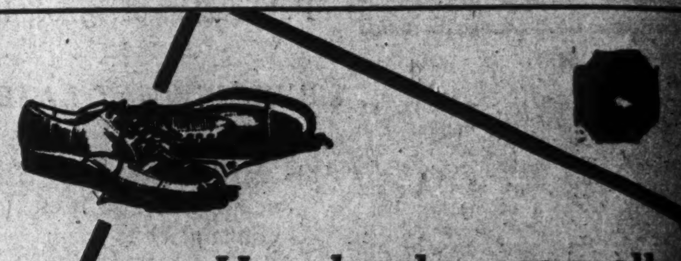

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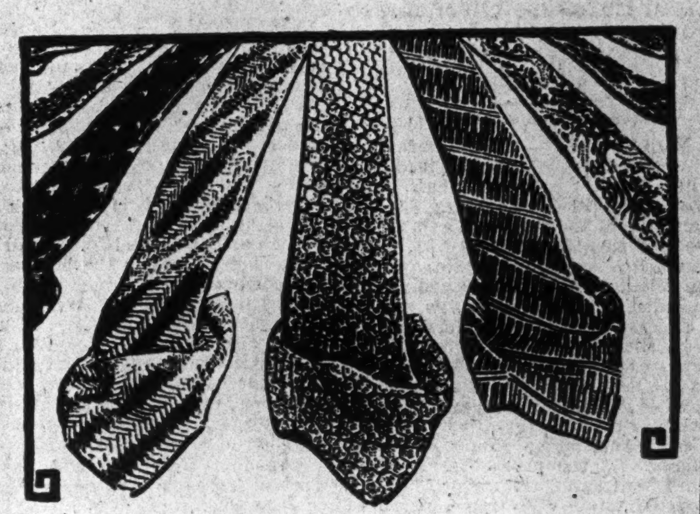

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A General Banking and Foreign Exchange Business Transacted.

INITIAL STOCK OFFERING

Canadian Commerce Insurance Co.

The Canadian Commerce Insurance Company has been incorporated by special act of the Dominion parliament, assented to June 11, 1928. The powers granted the Company under its Special Act are very wide, and will enable the Company to write the business of fire, tornado, automobile, plate glass, guarantee, liability and other casualty classifications.

The capital structure of the company is such that Reserves and Surplus are set up at the outset of the Company's operation, consequently the Canadian Commerce Insurance Company will be able to use operating profit for dividend disbursement at the end of the first year of operation. Those conversant with returns, both as to dividends and increase in value, on insurance company stocks, will appreciate the opportunity offered to participate in the initial offering of this stock.

You are invited to communicate with the company requesting further particulars and copy of prospectus.

Sponsored by the well-known old insurance firm of Seneca Jones & Son—established since 1872—the Company will be operated under the personal management of Norman S. Jones, who has recently made Canadian insurance history by an outstanding record of successful achievement. Investors who desire to secure a safe investment with good return and appreciation in capital value (eliminating the element of speculation), should avail themselves of this opportunity.

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General Calcium Corporation Limited

(No Personal Liability)

Gold Notes of the above Company (part of an issue of $100,000) are herewith offered at the price, and in the denominations, of $100 and $1,000 respectively. The Gold Notes bear interest at seven and a half per cent., payable half yearly.

The assets of the Company, which form the security for the Gold Notes, consist, for the most part, of a valuable bed of natural whiting situated near Campbellville, Halton County, Ontario. The Whiting occurs in its natural state in the form of soft chalk, or pure Calcium Carbonate. The raw product is used commercially for cleaning and polishing; as an ingredient in insecticides, and in putty, as a pigment in paints and washes, and for a great many other purposes. After calcination, the substance makes the highest grade of chemical lime for which there are many uses.

The extent of the whiting bed, which the Company owns and operates, is approximately sixty-five acres; and contains an estimated tonnage of three million tons. On the open market, the prevailing price for whiting is from Twenty Dollars to Forty Dollars per ton. The total cost of milling and shipping from the Company's plant does not exceed Three Dollars a ton.

On the record of successful operation and profit making by the Company and its predecessors, and on the security of its reserves of raw material we recommend the Company's seven and a half per cent. Gold Notes as a sound and profitable investment.

W. Huston and Son Limited
1305 C.P.R. Building
TORONTO

WALMSLEY BONDS MAY BE REDEEMED BY NEW OWNERS

Thought Something May be Done to Relieve Britishers of Liability

From Our Own Correspondent

MONTREAL.—Through the purchase of Charles Walmsley Company, Dominion Engineering Works has procured a means of taking care of the large amount of business which is being offered at the present time. The Charles Walmsley Company, formerly a subsidiary of the British firm of Armstrong-Whitworth Company, passed into Canadian control some time ago, when it was purchased by Royal Securities Corporation and associates.

The main output of the company consists of newsprint machines and other requirements of the pulp and paper industry. One of these is the Minton dryer, an exclusive product of the company. One of these dryers was installed in the Riverbend mill of Price Brothers and is understood to be giving satisfactory results. Further orders are looked for in the future. The company also controls Rhodes (Canada), Limited which was formed to develop in Canada sheet metal working machinery patents purchased from C. J. Rhodes of Mayfield, England. In addition, Charles Walmsley Company has a substantial interest in the Continuous Magazine Wood Grinders, Limited.

Dominion Engineering Company has many more orders than it is able to cope with. The plant is running at capacity, and all departments are sorely taxed. By this deal the company has secured a means of taking care of the large amount of business which it has on hand at the present time. The outputs of the two companies are such that Dominion Engineering is now in a stronger position to take care of any business offering in the pulp and paper industry.

The acquisition of Charles Walmsley and Company (Canada) by the Dominion Engineering Works, might result in the calling of the Charles Walmsley bonds.

The company has outstanding $935,000 in 6 per cent., sinking fund, 1943 bonds. These were issued in 1923 and guaranteed by Sir W. G. Armstrong-Whitworth and Company.

At that time the British company, controlled by Charles Walmsley and Company, which in turn controlled the Canadian organization. In the meantime, the Armstrong-Whitworth interests sold the British company and the Canadian subsidiary has also changed hands. It seems reasonable to presume that in the deal, some means have been taken to relieve the British company of its contingent liability on the bonds.

It is possible, of course, that the bonds might not be called and some other means taken to relieve the British company of its guarantee. Perhaps the Dominion Bridge Company might in turn give a guarantee to Armstrong-Whitworth that it would incur no loss on the issue.

It is not thought that the operation of the new subsidiary of Dominion Engineering Works, which in turn is a subsidiary of Dominion Bridge, will be consolidated with the operations of the parent company, for, as has been said, Charles Walmsley and Company of Great Britain has passed out of the hands of the Armstrong-Whitworth interests. Unless the Walmsley name be retained in Canada, it is possible that the British company could again invade this field. Moreover, the Canadian Walmsley Company may hold certain patent rights which could not be sold to Dominion Engineering.

Nothing Over $500

Suggestions for the Beginner in Investment Whose Capital is Limited

Suggestion No. 1 — City Dairy

Here is begun a series of articles suggesting stocks which can be bought in five-share lots or more at a total cost of $500 or less. It is possible to begin an investment program with $500 or somewhat less. Every fortune has a foundation. Big investments have grown from less.

Five-share lots are easily purchased on Canadian exchanges. Most brokers will welcome an account opening on a small purchase because brokers know that big oaks from tiny acorns grow.

Diversification is a sound, almost an essential, principle of investment. Obviously, diversification cannot be obtained with $500 or less. The next best thing to diversification is the purchase of the soundest possible stock.

City Dairy Common

The first suggestion is City Dairy common, than which there is probably no sounder Canadian stock. At present it is selling around 66. Thus five shares will cost $330. The brokerage fee will be 30 cents the share. The investor will get only 3 per cent. return on his money at present prices. But if City Dairy in the next few years even remotely approaches its record of the last few years, the return on the capital invested would gratify even a person who discounts second mortgages—and the risk will not be so great.

About two years ago five shares of City Dairy could have been bought for about $400. Those five shares would now be equal to twenty shares, for the old shares have been turned in and the company has issued four times as many shares to each holder. On twenty shares, the dividends are $40 annually, which would be 10 per cent. on the investment made two years ago. It was not long to wait for 10 per cent. And the shares which were bought for $400 about two years ago could now be sold for $1,320.

Company is Strong

S. J. Moore, chairman of the board of City Dairy, told the shareholders a year ago that their company was financially impregnable. Examination of the balance sheet corroborates this considered statement. The company's investment in government bonds exceeds the par value of the preferred stock. Valuation of plant and equipment is extremely conservative. The management of the company is better than excellent.

Market conditions may cause the shares temporarily to sell below their present price. But if the future can be judged by the past the trend will be definitely and substantially upward. The sale of some blocks of shares which may temporarily depress the market does not in the least lower the intrinsic merit of the investment, or the property values and goodwill assets behind those shares.

Some of the shrewdest investors hold large amounts of City Dairy common stock. There are only 92,400 shares outstanding and the most of these are tucked away in safety-deposit boxes and not traded in the market. The floating supply of the stock is small. A buying order of a few hundred shares often will send the price up several points. Most brokers have on file buying orders at from one to five points under the prevailing market. These are fairly certain to take up the slack if any large holder finds it desirable to sell.

Is Good Beginning

The investor who begins with five shares of City Dairy will have made a good beginning. He will have offset in some degree the defect of lack of diversification, by the inherent soundness of his first purchase. And if he continues to save he soon will be able to buy five shares of some other sound stock, and thus, in time will achieve diversification.

Assuming that the first purchase is an outright purchase, the investor will find it not difficult, if he has the habit of saving to make a second purchase—another five shares of another sound stock. With his original five shares as collateral and some more cash, he may even anticipate his savings to some extent without risk. The theory of buying on margin is the same as buying a radio on the partial payment plan. The broker merely reserves the stock for his customer at the purchase price with the idea that it will be taken up when the buyer completes his payments. The broker will accept payments at any time; the buyer pays 7 per cent. interest on the unpaid balance and the dividends are credited to the buyer's account.

Another method of anticipating savings for investment buying is to use the first purchase and subsequent purchases as collateral for loans secured from a bank.

Canada Cement Grows

MONTREAL.—The Canada Cement Company is maintaining the policies of the predecessor organization and profits continue to go back into plant and property. The company is to spend almost $1,000,000 shortly to erect a distribution depot in the city of Quebec, where properties have already been purchased in the lower town.

The purchase of home-made hooked mats and rugs from rural districts in the Maritime Provinces, and the sale of the same to summer visitors, has become quite an industry.

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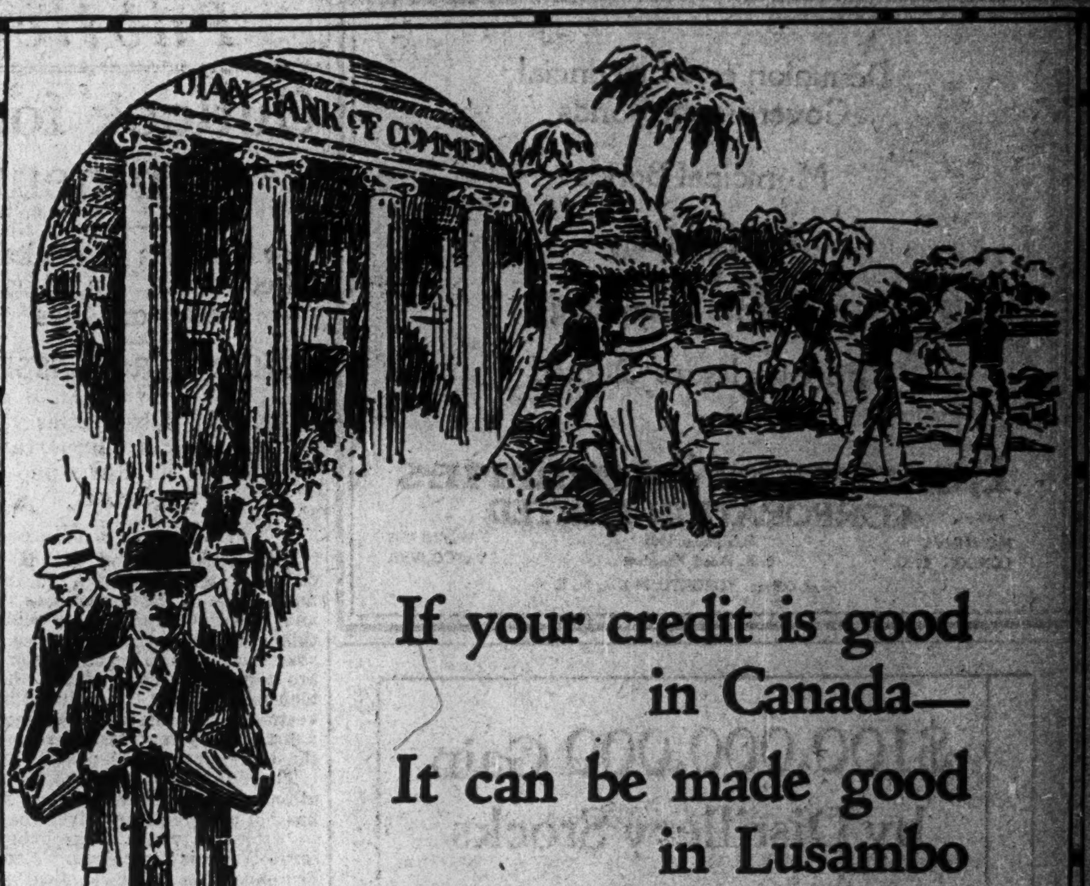
THE ROBERT SIMPSON COMPANY LIMITED



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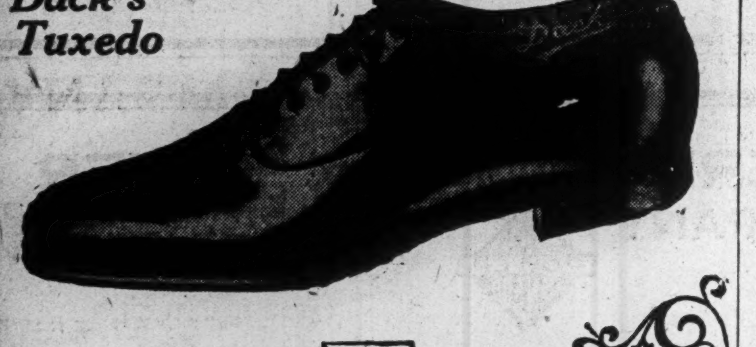

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At evening functions it is a satisfaction to wear Dack's Tuxedo Shoe with the confidence given by the knowledge that they will be correct

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Dack's
Shoes for Men
(from maker to wearer)

CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED

Dr. PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER, 1928 Cr.

TO DIVIDENDS	$1,614,041.64	BY NET PROFIT FOR THE YEAR AFTER DEDUCTING ADMINISTRATION EXPENSES AND MAKING PROVISION FOR DEPRECIATION INCOME TAX	$3,136,680.14
TO BALANCE AS PER BALANCE SHEET	3,360,383.74	BY BALANCE BROUGHT FORWARD FROM LAST ACCOUNT	1,837,745.24
	$4,974,425.38		$4,974,425.38

BALANCE SHEET 30TH SEPTEMBER, 1928

ASSETS

REAL ESTATE, BUILDINGS, MACHINERY, GOODWILL, ETC., LESS DEPRECIATION	$5,140,921.15
SHARES IN ASSOCIATED COMPANIES AND OTHER INVESTMENTS	5,210,343.75
STOCKS ON HAND AT COST	4,540,773.45
SUNDRY DEBTORS (Less Provision for Doubtful Debts) AND DEBIT BALANCES, INCLUDING ASSOCIATED COMPANIES	3,589,023.37
CASH IN BANK AND ON HAND	793,003.14
	$19,274,064.86

LIABILITIES

SUNDRY CREDITORS AND CREDIT BALANCES, INCLUDING ASSOCIATED COMPANIES				$808,285.48
DIVIDEND PAYABLE 15th OCTOBER, 1928				415,213.08
SHAREHOLDERS ACCOUNT:—				
Capital Stock:				
Authorized—1,500,000 Shares without nominal or par value, divided into 1,000,000 Voting Shares and 500,000 Non-Voting Shares				
Issued— 969,480 Voting Shares		$10,958,000.00		
123,186 Non-Voting Shares		2,435,720.00		
		$13,393,720.00		
Surplus:				
Accumulated Surpluses of former Companies	$1,296,462.56			
Profit and Loss Account	3,360,383.74			
		4,656,846.30		
			18,050,566.30	
				$19,274,064.86

APPROVED ON BEHALF OF THE BOARD

(Signed) SHAUGHNESSY,
(Signed) E. LAUSTER, } DIRECTORS

We have examined the above Balance Sheet with the books of the Company and have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

(SIGNED) DELOITTE, PLENDER, HASKINS & SELLS
AUDITORS

MONTREAL, 29th NOVEMBER, 1928

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility and Industrial Financing

Foreign Issues Quoted

DOMINION SECURITIES CORPORATION LIMITED

Established 1901
E. R. Wood, President
MONTREAL, LONDON, ENG. — WINNIPEG, VANCOUVER
Head Office: TORONTO, 26 King St. E.

$100,000,000 Gain by Distillery Stocks

Since 1923 there has been an appreciation of more than $100,000,000 in the value of shares of the five leading Canadian distilleries. By far the greater part of this appreciation has taken place during the past three years.

The position of Canadian distilleries and their securities, and improvement and developments in the industry, are examined in our

December Market Letter

A copy will be sent to you on receipt of the coupon

JOHNSTON AND WARD
14 King St. East, Toronto
Royal Bank Building, Montreal

Please send me a copy of your December Market Letter

Name..........
Address..........

BEST LABOUR CONDITIONS ON CONTINENT

Economical production and freedom from labour troubles are ensured those industries that locate their manufacturing plants in the Eastern Townships of Quebec.

Unexcelled transportation facilities. Ample and reliable power. Low taxation.

Full information regarding labour costs, sites, etc., gladly sent on request.

Owned by those it serves.

INDUSTRIAL DEPARTMENT
SOUTHERN CANADA POWER CO. LIMITED
330 Coristine Building — Montreal

IN THE SOUTHERN CANADA POWER INDUSTRIAL AREA

Burns & Co., Limited

5½% First Mortgage Bonds
Due 1 June, 1948

Payable at any Branch of the Canadian Bank of Commerce,

Price: 97 and interest,
Yielding 5.75%

The current year promises to bring a considerable increase in the business and profits of Burns & Company in Western Canada. Estimated annual earnings as of last May will not only be realized but in all probability will be greatly exceeded. The Company is spreading out in the new centres where trade is developing: such as the Flin Flon area in Manitoba, the vast Peace River country and the mining districts of British Columbia. The business of the Company is excellent and will continue to reflect the splendid prosperity of the West.

We recommend these bonds for investment.

Full particulars on request

BELL, GOUINLOCK & CO.
67 YONGE ST. — ELGIN 2236
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Something for you in every issue

Public Utility Investments

Outlook for Shawinigan Eminently Satisfactory

New Analysis Shows Large Betterment in Load Factor on Lines

OTHER LARGE ASSETS

Chemical Subsidiaries Destined to Play Important Role as Revenue Producers

From Our Own Correspondent

MONTREAL.—One of the most complete analyses from an investment angle of the Shawinigan Water and Power Company was published this week by Financial Service. The assets and operations of the company are completely covered and the fifteen-page review is concluded by investment information covering the astonishingly successful record of the stock during the past 16 years.

There is one point about the operations of Shawinigan, though, which has not apparently received the public attention which it probably deserves; this is the company's continued expansion in the chemical manufacturing field.

Through a wholly-owned subsidiary, namely, Shawinigan Chemicals, Limited, Shawinigan has a source of revenue which is growing almost daily; for the future it is bound to play an increasingly important part in earnings.

Two Operating Companies

The two operating companies wholly-owned by Shawinigan Chemicals are the Canadian Electric Products Company and the Canada Carbide Company. Both are large producers of chemicals and large users of power, which, through their association with the parent company, they are enabled to purchase at minimum rates. Hence, the output of Shawinigan's wholly-owned chemical subsidiaries can easily compete in world markets as hydro-electric power in Canada is cheap—on a cost price basis — as anywhere in the world.

The increasing industrialization and mechanization of the age seems to assure an ever-growing market for this end of Shawinigan's business. But Shawinigan is not only interested in the domestic and overseas markets for chemicals—it is vitally interested in the U. S. chemical market, where, through a one-third ownership of the Niacet Chemicals Corporation, Shawinigan is associated in an undertaking backed by some of the largest chemical interests in the United States. The U. S. subsidiary is doing well and doing an increasing business.

The following figures are taken from Financial Service's analysis of Shawinigan. One of the less noticeable features of these figures is the steady and satisfactory increase in the average yearly load factor on the company's lines. The investor can readily understand that the more constant and more steady utilization of the energy from Shawinigan's lines must obviously tend to increase earnings, even without allowing for any increase in the annual kilowatt hour consumption. The figures follow:

Physical Statistics

Year	Output in K.W.H.	Average Yearly Load Factor	Average Load in Horsepower Hydraulic	Average Available Electric Generator Capacity in Horsepower
1904	26,000,000	27%	.....	15,000
	*87,000,000	....	13,311	
1907	60,000,000	25%	.....	33,512
	*168,000,000	....	25,710	
1912	271,700,000	45%	.....	88,500
	*256,676,985	....	39,277	
1917	628,996,610	50%	.....	123,030
	*317,710,389	....	48,641	
1922	1,143,138,790	74%	.....	236,000
	*240,251,983	....	36,760	
1927	2,681,031,992	77%	.....	536,650
	*340,169,958	....	53,620	
1928	....	....	.....	806,000

*—Water sold converted into K.W.H.

Appreciation of Shares from 1912 to 1928

Year	Shares Held	Dividend	Amount Received in Dividends and Bonuses	Funds Invested
1912—100 shares purchased at $122	...	.....	....	$12,200
1912—	100	5¼%	$525.00	
1912—New shares at $120, basis one new share for ten	110	.....	....	1,200
1913 and 1914	110	6%	1,320.00	
1914—New shares at $120, basis one new share for eight	123	.....	....	1,560
1915—	123	6½%	799.50	
1915—New shares at $100, basis one new share for ten	135	.....	....	1,200
1916—	135	7%	945.00	
1916—New shares at $115, basis one new share for ten	148	.....	....	1,495
1917 to 1924, inclusive	148	7%	8,288.00	
1924—New shares at $100, basis one new share for ten	162	.....	....	1,400
1925—	162	7% & 8%	1,174.50	
1925—New shares at $100, basis one new share for twenty	170	.....	....	800
1926—	170	8%	1,360.00	
1926—New shares at $150, basis one new share for ten	187	.....	....	2,550
1927—Shares split; four no par for one	748	8% & $2	1,449.25	
1927—New shares at $50, basis one new share for eleven	816	.....	....	3,440
1928—New shares at $50, basis one new share for four	1,020	.....	....	10,200
Bonus of one share for every ten held	1,122	.....	....	
Dviidends	1,122	$2	2,244.00	
			$18,105.25	$36,045

Present holdings, 1,122 shares:—	
Current worth at $87	$97,614
Dividends received	18,105
	115,719
Funds invested	36,045
Appriciation	$79,674

Canadian Power and Paper Inv. Earns $3 to $4

From Our Own Correspondent

MONTREAL.—Profit and loss account of the Canadian Power and Paper Investments, Limited, for the first ten months of the current year, it is understood, shows a revenue about four times the interest requirements of the company's outstanding debenture issue. After all charges, the earnings on the common for the current year will touch the satisfactory level of between $3 and $4 a share. The results, which have been achieved by this investment company during the few months since its inception are regarded as eminently satisfactory.

From semi-official sources comes the information that the company's holdings of newsprint securities have not been as large as has been the general impression. The company's investments include large holdings of public utility securities and the total proportion of the company's funds in newsprint securities is comparatively small.

The value of the present assets of the Canadian Power and Paper Investments, without allowing for profits at the current market price of the securities which the company holds in its portfolio, now amounts to nearly $5,000,000. The company's outstanding debenture issue is but $2,500,000. Ranking after the debentures, there are, outstanding $1,250,000 in convertible, preferred shares—this stock is closely held. It is non-cumulative. The common stock issue amounts to 75,000 shares, a part of which was given as a bonus with the debentures less than a year ago.

Some of the securities held by the company include: Government bonds; Canada Northern Power; Abitibi Power and Paper; Northwestern Utilities; Bathurst Power and Paper; British Columbia Power; Canada General Investment Trust; Consolidated Gas and Electric; International Utilities; and Power Corporation, participating second preferred shares.

SOUTH. CANADA POWER PROFITS AT NEW RECORD

Company Has Just Concluded Most Successful Year on Record

From Our Own Correspondent

MONTREAL.—With gross and net profits and earnings per share at new high record levels, with a decided betterment in working capital position and large increases in the assets, the annual report of the Southern Canada Power Company for the fiscal period ending September 30 last clearly reveals that the company has experienced its most successful year.

The results achieved can be seen in the following comparison of income account and working capital figures over the last two years:

	1927-28	1926-27
Elec. rev.	$1,500529	$1,319,338
*Misc. rev.	309,027	214,942
Gross earn.	$1,809,566	$1,534,280
Purch. power	28,247	19,312
Operation	339,722	319,734
Taxes	114,633	92,673
Maint.	123,162	111,296
Net earn.	$1,203,802	$ 991,265
Bad debts	4,520	6,110
Interest	344,208	357,413
Surp. for year	855,074	627,742
Prev. surplus	166,715	166,365
Total, surp.	$1,021,789	$ 793,107
Pfd. divd.	297,064	294,392
Com. divd.	308,913	180,000
Depr. res.	181,000	153,000
Bal. surplus	$ 234,812	$ 166,715
Shareholders	5,903	5,979
K.W.H. output	138,160,340	123,452,980
Cust. connected	23,552	21,662
Earnings per share	$3.77	$2.50

*Miscellaneous revenue includes street railway gross earnings, merchandise net profits, earnings from investments, etc.

Working Capital Position

	1928	1927
Cur. assets	$3,795,828	$ 803,643
Cur. liabs.	468,673	437,243
Net work. cap.	$3,327,155	$ 365,900

The foregoing figures show increased earnings per share outstanding despite the increase in the common stock from 72,000 shares to 100,000 shares.

The company's balance sheet shows the results of the financing during the year, with plant investment larger by almost $1,000,000. The company occupies a satisfactory cash position and has no bank loans. Investments now stand at $3,155,000 as against $216,000 a year ago. The increase in the other current assets reflect the growth of the company. There were no significant changes in the liabilities, except the increase in the figure at which the common stock is carried. Last year it appeared on the books at $4,972,000 as against $8,672,000 this year.

In his remarks to the shareholders, J. B. Woodyatt, president, said in part as follows:

"Considerable progress was made during the year in adding to the number of communities served. Among these are Pike River, St. Sebastien, Henryville, Stanbridge Station, Clarenceville, Sutton Jct., Mont St. Hilaire, St. Pie, l'Acadie, St. Gregorie, Upton and Orford Lake. As a result of these additions as well as the natural growth in the municipalities already served, the number of our customers increased from 21,662 at the end of the previous year to 23,552 at the end of this year.

"The outlook for industrial growth in your company's territory was never as good as it is to-day and it is anticipated that a continually accelerating movement by new industries intending to establish plants in Canada will be noticeable in the near future.

"Comparative statistics show that the kilowatt-hour output for the year was the largest in the history of the company, reaching 138,160,340 K.w.h., as compared with 125,452,960 during the preceding year.

"The comparative operating statement shows the increasing burden of taxation to which your company must submit. The application of income tax by the federal government to privately-owned public utilities while publicly-owned utilities are tax-exempt, is unjust, unreasonable and practically discriminating against this province. We believe that it is the desire of all connected with this company—our customers, shareholders and staff—to cheerfully pay their share of the cost of administering our country but we also believe that we are justified in asking that all public utilities be taxed fairly and without discrimination, regardless of location or ownership."

CAN. W. GAS SHOWS EARNINGS INCREASE

Revenue to Date Totals $1,393,131 for Western Utility

Canadian Western Natural Gas earnings for October were $115,805, and show an increase over the same month of 1927 of $14,994. Earnings from January 1 to October 31 this year total $1,393,131, as compared with earnings for the same period in 1927 of $1,196,023, or an increase of $197,108. Gross revenue in 1926 was $1,283,109.

The company, which has been in successful operation for over fifteen years, produces and distributes natural gas for heating and industrial purposes in Calgary, Lethbridge, Granum, Claresholm, MacLeod, Nanton, Okotoks and Brooks. The population served is in excess of 85,000 and the number of customers has increased from 5,000 in 1913 to well over 15,000 at the present time. The company works under the jurisdiction of the board of public utility commissioners of Alberta which has the right to fix rates so as to provide a reasonable return to the company.

Toronto Exchange Lists Stock of Equitable Life

Stock of the Ontario Equitable Life and Accident Insurance Co., was listed of the Toronto Standard Stock Exchange on December 4, and sold at 44 and 45, closing at the latter figure. The business written by the company during the past year has greatly exceeded records of past years since the company was licensed in 1920.

Insurance in force at December 31, 1928, totalled nearly $37,000,000 and assets of the company at that time were over $4,400,000. Head offces of the company are situated at Waterloo, Ont.

Public Utility Earnings

Winnipeg Electric

October	1928	1927
Gross earn.	$517,036	$487,162
Net revenue	182,173	184,258
Fixed chgs. & taxes	98,947	97,665
Net income	$83,225	$86,593

Barcelona Traction

October—	1928 Pesetas	1927 Pesetas	1926 Pesetas
Gross earn.	7,470,886	7,187,589	283,297
Oper. expense	2,316,722	2,306,957	9,756
Net earn.	5,154,164	4,880,632	273,532
Aggre. gross from Jan. 1	74,113,502	71,190,569	2,922,933
Aggre. net from Jan. 1	51,726,851	49,254,585	2,472,266

Nat. Grocers Pays on 2nd Preferred

Payment of a dividend of 1¾ per cent. on account of arrears on the second preferred stock of National Grocers, Ltd., is an indication of the improved position of that company. The company is a merger of 20 wholesale grocers in Ontario in 1925. Profits after all charges were $346,739 in 1928, compared with $334,880 in the previous fiscal year, ended June 30, 1927.

Business has been increasing in the current fiscal year, it is reported, and the company has made some further progress in reducing overhead costs.

The public investment interest is limited to the 8 per cent. first preferred, of which there was $842,700 outstanding at the close of the last fiscal year, a reduction of some $130,000 from the previous year. The funded debt consists of 6½ per cent. sinking fund gold notes, due 1932, of which there were $1,863,000 at the close of the last fiscal year. The second preferred stock, on which the initial dividend has been declared, represents the equity of owners of properties placed in the merger. The second preferred outstanding totals $2,953,200 of $100 par value. It is 7 per cent. cumulative.

6 to 7% on the Investment

OB&W

In the wild speculation on the Stock Exchange real investment stocks have been neglected.

Not so long ago it was difficult to secure such generous yields as 6 or 7%. Now, however, good stocks are available at prices which show the investor a substantial return on the money.

Below will be found a few securities which yield from 5½ to 7.78%. They fluctuate in price from day to day, but can be purchased at close to the prices quoted.

INVESTMENT YIELDS ON PREFERRED STOCKS

	Rate	Approximate Price	Yield
Abitibi	$6.00	88	6.82%
Alberta Pacific Grain	7.00	99	7.07
Belgo Canadian Paper	7.00	100	7.00
Canadian Bronze	7.00	110	6.36
Canadian Car	7.00	108	6.47
Canadian Cottons	7.00	104	6.73
Canada Cement	6.50	99	6.57
Can. General Electric ($50 par value)	7.00	58	6.04
Can. General Investment Trust	6.00	106	5.66
Canada Steamships	6.00	95	6.32
Dominion Glass	7.00	125	5.60
Holt Renfrew	7.00	98	7.14
Howard Smith	6.00	92	6.52
International Utilities "A"	3.50	45	7.78
Massey Harris	7.00	109	6.42
Ottawa Light, Heat & Power	6.50	105	6.19
Sherwin Williams	7.00	125	5.60
Southern Canada Power	6.00	109	5.50
United Securities	6.00	104	5.77
Winnipeg Electric	7.00	108	6.48

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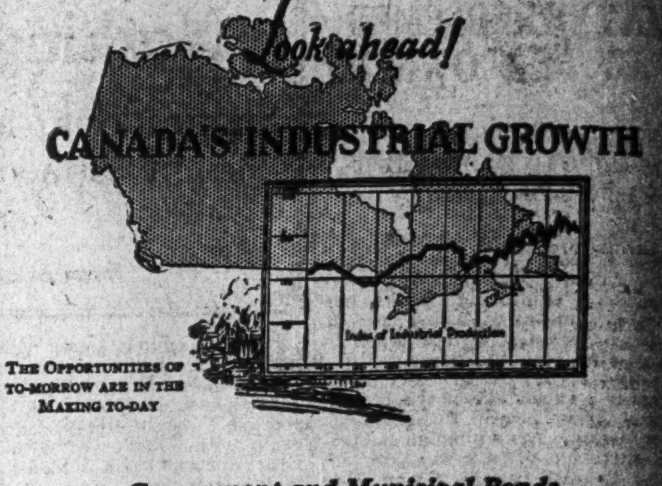
Members Montreal Curb Market
Transportation Building—Montreal
Victoria Building—Ottawa



THE OPPORTUNITIES OF TO-MORROW ARE IN THE MAKING TO-DAY

Government and Municipal Bonds

		Maturity	Price	Approx. Yield
Dom. of Can. Guaranteeing C.N.R.	5%	1954	104.00	4.73%
Dom. of Can. Guarant'ng C.N.O.R.	3½%	1961	79.50	4.75%
City Toronto Guar. Harbour Com.	4½%	1953	96.33	4.75%
State of San Paulo	6%	1968	95.00	6.30%

Public Utility Bonds

Canada Northern Power Corp.	5%	1953	97.50	5.18%
Canadian Pacific Railway	5%	1934	100.50	5.00%
Manitoba Power Co., Ltd.	5½%	1951	102.50	5.29%
Montreal Tramways	5%	1955	99.50	5.05%
Southern Canada Power Co., Ltd.	5%	1955	101.00	4.88%
Winnipeg Electric Co.	6%	1954	104.50	5.75%

Industrial Bonds

Alexander Building Corporation	6%	1947	100.00	6.00%
Canada Steamship Lines	6%	1941	103.25	5.75%
Queen's Hotel Co.	6%	1947	101.50	5.90%

Preferred Stocks

Foreign Power Securities Corp.	6%	Pref.	97.00	6.20%
Power Corporation of Canada	6%	"	Market	5.80%
Windsor Hotel, Limited	6½%	"	"	6.80%

Common Stock

British Columbia Power Corp., Ltd.
Common Class "A" (no par value) Market

We invite your enquiries for investment service

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FRANK J. SMITH, *Manager Montreal Office*
Telephone: HArbour 3282

ROBERT DODD & COMPANY
INVESTMENT BANKERS
THE ROYAL BANK BUILDING
MONTREAL, QUE.
Telephones—Harbour 8141-2: Harbour 2412

Welland Financial Corporation
LIMITED

BALANCE SHEET
10th November, 1928

ASSETS

Investments— Various Stocks, Shares, etc., at cost		$345,837.91
Other Assets— Cash on Hand	$7,500.00	
Furniture and Fixtures	646.50	
Notes Receivable, etc.	4,914.75	
Accounts Receivable	37,779.41	
		50,840.66
		$396,678.57

LIABILITIES

Due to Imperial Bank	$75,943.72
Reserve	9,931.70
Capital Paid Up	269,101.75
Profit	41,701.40
	$396,678.57

The above Balance Sheet is in accordance with the Company's books, and information and explanations received by us. Certificates for the Stocks and Shares in the Brokers' and Banks hands have been obtained by us.

Hamilton, Ontario
15th November, 1928.

C. S. SCOTT & CO.
Chartered Accountants

SOUTHERN CANADA POWER COMPANY LIMITED

President and General Manager: JAS. B. WOODYATT
Vice-Presidents: J. M. ROBERTSON, J. S. H. WURTELE, P. T. DAVIES
Directors:
W. K. BALDWIN, M.P. — JAMES DAVIDSON — P. T. DAVIES
J. S. GILLIES — W. H. MINER — R. R. MOODIE — A. J. NESBITT
GEORGE PARENT, K.C., M.P. — J. M. ROBERTSON — P. A. THOMSON
JAS. B. WOODYATT — J. S. H. WURTELE
Secretary: L. C. HASKELL — *Treasurer:* CHAS. JOHNSTONE
Asst. Secretary: V. J. NIXON

Fifteenth Consolidated Annual Statement
Year Ending 30th September, 1928

ASSETS

Plant Investment	$18,403,467.44
Cash	77,934.54
Investments	3,155,650.29
Accounts Receivable	233,214.45
Notes Receivable	36,306.74
Materials and Supplies	292,722.02
Prepaid Accounts	29,071.19
Mortgages Receivable	10,887.50
Funds in Escrow for Bonds of Subsidiaries	83,038.00
Due by Subscribers to Capital Stock	232,682.81
	$22,554,974.98

LIABILITIES

To Public— Funded Debt	$6,952,[illegible]
Less Bonds deposited as Collateral Security	20,000.00
	$6,932,605.68
Accounts Payable	204,171.14
Preferred Dividend payable Oct. 15th, 1928	74,635.50
Customers' Deposits	24,538.09
Bond Interest Matured	[illegible]
Bond Interest Accrued	163,239.[illegible]
	$7,401,278.71
To Shareholders— Preferred (49,757 Shares $100 each)	$4,975,700.00
Common (100,000 Shares no par value)	8,672,000.00
Subsidiaries (125 Shares $100 each)	12,500.00
Reserves—for Depreciation	1,182,781.14
Miscellaneous	75,902.94
Profit and Loss	234,812.19
	$22,554,974.98

REVENUE ACCOUNT

Gross Earnings		$1,809,566.18
Expenses	605,764.50	
Interest	344,208.26	
Bad Debts Written Off	4,520.00	
Balance	855,073.42	
	$1,809,566.18	$1,809,566.18

PROFIT AND LOSS ACCOUNT

Balance at Credit Sept. 30, 1927		$166,715.09
Earnings for Year 1928		$855,073.42
Dividends on Preferred Stock	$297,063.82	
Dividends on Common Stock	308,912.50	
Depreciation Reserve	181,000.00	
Balance	234,812.19	
	$1,021,788.51	$1,021,788.51

Signed on behalf of the Board { JAS. B. WOODYATT / A. J. NESBITT } *Directors.*

AUDITORS' REPORT

We have audited the books of accounts of the Southern Canada Power Company Limited and its Subsidiary Company, the Sherbrooke Railway & Power Company.

We submit the Consolidated Balance Sheet and relative Profit and Loss Account as at 30th September 1928 drawn from the statements of the foregoing Companies. This, in our opinion, exhibits a true and correct view of the state of the affairs of the combined Companies as at that date, according to the best of our information and the explanations given to us and as shown by the books of account examined by us.

Montreal, 15th November, 1928.

(Signed) P. S. ROSS & SONS
Chartered Accountants.

Supplying Light and Power to 109 Municipalities

Customers Connected

1920	1921	1922	1923	1924	1925	1926	1927	1928
10,557	12,240	13,249	15,066	16,217	18,269	20,065	21,662	23,552

Industrial Conditions are Ideal in Southern Canada Power Industrial Area
Industrial Department: 330 Coristine Building, Montreal.

News of Investment Markets

We Deal in—

C.N.R. 5%............1954
C.N.R. 4½%..........1954
C.P.R. 5%............1934
C.P.R. 4½%...........1944
Canada Steamship 6% 1941
Bell Telephone 5%....1955
Canada Northern 5%..1953
Gatineau Power 5%...1956
Gatineau Power 6%...1941
Manitoba Power 5½%.1951
Montreal Power 5%...1951
Montreal Tramways 5% 1941
Montreal Tramways 5% 1955
Quebec Power 6%.....1953
Shawinigan W. & P.
4½%..............1967
United Securities 5½% 1952
Winnipeg Electric 6%..1954
Anticosti Corp. 6½%..1941
Anticosti Corp. 7%
Preferred Shares
Canada Cement 5½%..1947
International Paper 6% 1955
Windsor Hotel 6%.....1947
Windsor Hotel 6½%
Preferred Shares
Wayagamack 6%......1951
Wayagamack 6½%....1930

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SINKING FUNDS IN ONTARIO UP BY $3,171,000

Operation of Debt Retirement Plan Continues

SURPLUS IS SHOWN

Province Meets Heavy Drop in Succession Duties by Liquor Revenues and Plum from Hydro

Ontario's surplus for the fiscal year to October 31, 1928, was less than the previous year's surplus but nevertheless showed that the heavy deficits of a few years ago are in the past.

The fiscal year 1927 showed a surplus of $359,000—the first favorable balance for many years. This has been followed in 1928 by another balanced budget with a surplus of $263,000, somewhat in excess of the forecast, which was $177,000. The above showing prevails after taking care of the discount on bonds, and satisfying the requirements of the Debt Retirement Plan, under which $3,007,000 has been paid off the debt in 1928.

"Persistent adherence to living within one's means has secured the happy position above outlined," says Hon. Dr. J. D. Monteith, provincial treasurer.

The ordinary revenue was $58,455,000, and ordinary expenditure, $58,192,000. In both instances expectations have been exceeded.

Trend Toward Surpluses

The trend from deficits to surpluses is more clearly shown in this table:

1923	deficit	$15,195,226
1924	"	8,468,764
1925	"	5,107,364
1926	"	812,140
1927	surplus	359,000
1928	"	263,000

Included in revenue is a large item of $2,108,000, representing refund to the provincial treasury of $2,108,000 by the Hydro-Electric Power Commission of certain advances made by the province at various times since 1909, for preliminary work and other operations incidental to the establishment of the Provincial Hydro Electric Power System, with interest thereon.

Other substantial new or enlarged items served to "sweeten" the province's revenue and make the surplus possible. Liquor revenue was $7,225,000, an increase of $4,425,000 because of government sale of liquor.

The succession duties fell off by $4,800,000 to $4,668,000. Other revenue changes were comparatively unimportant. Total revenue reached the enormous total of $58,424,000, a new high figure and an increase over 1927's total of $56,296,000.

Ordinary expenditure was somewhat larger than the estimates, but still within the actual revenue figures. None of the increases or decreases in expenditure were notable in character.

There has been provided in the fiscal year 1928, the following amounts, in accordance with the Debt Retirement Plan:

By Hydro-Electric Power Commission	$1,417,529
By Province, out of Ordinary Revenue	1,754,050
	$3,171,579

Since the inauguration of the plan, there has been provided and applied in retirement of provincial debt, the following amounts totalling $17,303,427. This total includes $10,889,100 of accumulated sinking funds as at October 31, 1925, and additional sums added in the past three years.

Dr. Monteith discusses the recent borrowing policy of the province.

During the year there have been two major loans floated. The first was a serial annuity loan of $30,000,000 in May last, when the province was able to secure money, chiefly for refunding purposes—at the low interest rate of 4.41 per cent.

The marketing of $30,000,000 at that time proved to be of great advantage to the province, as shortly after, the bond market became very unfavorable, and dear money ranging from 4.80 per cent. to 5 per cent. for long-term issues, has prevailed ever since, due largely, says the Ontario treasurer, to the universal speculative spirit prevailing throughout the financial world.

The second major piece of financing by the province was on October 1st. This was the sale of £2,000,000 one-year treasury bills in the English market, at a cost of 5.118 per cent., a much cheaper rate than that obtainable in the United States or Canadian market at that time. This is the first time the province has entered the English market since 1914. "In this transaction it is true that cheaper money is a consideration, but the main feature is the much desired national effect arising from the re-establishment of financial relations with the Old Land," says Dr. Monteith.

As there are no long-term issues maturing, the province has been passing through the tight money period very comfortably by short-term financing through the banks. "The outlook is that there will be a reaction in the money market which financial men tell us is already overdue, with a resultant adjustment of interest rates, before necessity compels us to enter again with a substantial long-term issue," says the report of the treasurer.

No figures are given of the province's debt as at present but an increase will probably be shown by the final report as the increased sinking fund payments, shown above, are more than offset by capital expenditures of $15,700,000.

Quebec Power Profits Now Running at Rate of $3 a Share Yearly

From Our Own Correspondent

MONTREAL. — The $12,000,000 issue of the Quebec Power Company being offered this week is the final step in the capital reconstruction of the company and all its subsidiaries. By the financing, the company's balance sheet position will be much bettered and simplified.

Formerly, the Quebec Power Company had a host of subsidiaries, some of which had securities in the hands of the public. Now all the assets of these subsidiaries, save the Quebec Railway, Light and Power Company have been acquired by the parent organization. The only issue which the company or its subsidiary now has outstanding is being called for redemption on April 1 next at which date the entire capitalization of the Quebec Power Company will consist of only the present bond issue and 502,372 common shares of no par value. The entire capital stock of the Quebec Railway, Light and Power is held by Quebec Power. The subsidiary has no funded debt.

Earnings Have Grown

Perhaps the most significant point about the present offering of bonds is the forecast of minimum earnings before depreciation this year of at least $2,100,000. After deducting bond interest on the present issue and depreciation charges equal to those of last year, this reveals that current earnings on the shares are close to the $3 mark.

Last year the company earned $2.14 a share on its stock. In the meantime the number of shares outstanding has been increased by 25 per cent. Hence the present indicated showing is the more satisfactory.

It is more than probable that the annual report of the company covering the 1928 year will show earnings materially below the $3 level as the redemption of the bonds of the subsidiaries and of the parent company naturally required temporary financing which would be more costly than funding operations. So while earnings may be running at close to the $3 a share mark, yet the next annual report may show earnings below this level.

The particulars of this week's bond issue may be summarized thus:

$12,000,000
QUEBEC POWER COMPANY
First Mortgage and Collateral Trust Sinking Fund Bonds, Series "A", 5%

Dated: Dec. 1, 1928. Due: Dec. 1, 1968.

The Company: Supplies light, power, tramway and gas services in a territory with a population of over 300,000.

Properties: Include electric plants with a capacity of 41,100 h.p.; 66 miles of urban and suburban tramways, and gas equipment producing 3,000,000 cu. ft. daily.

Security: A first mortgage on all the assets and on the shares of the subsidiary. The subsidiary cannot issue bonds except to the parent company.

Earnings: This year before depreciation equal to 3.5 times the bond interest requirements.

Purpose of Issue: To meet obligations incurred in retiring the entire former funded indebtedness of the company and its subsidiaries.

Equity: Common stock has a market value of $42,000,000.

Sinking Fund: Commences December, 1930, and amounts to 1 per cent. of the issue.

Offered: December, 1928, by Aldred & Co., and Wood, Gundy & Company at 97, to yield 5.18 per cent.

Bond Notices

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
St. Law. Paper Mills 10-yr. debs.	6½%	1929	Jan. 2	102
Que. R. L. H. & P.	5%	1939	Dec. 1	105
Canada Vinegars	6½%	1945	Dec. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
Howard Smith	°%	1934	Dec. 1	105
Rolland Paper	6%	....	Jan. 2	105
Lake Superior Paper	6%	1941	Mar. 1	105
Page Hersey Tubes	6%	1926	Dec. 1	105
Rolland Paper	6%	1932	Jan. 2	105
Can. Vinegars	6½%	1945	Dec. 1	105
Bawlf T. Grain	6%	1947	Dec. 1	101¼
Abitibi Power	6%	....	Dec. 1	Var.

Agnew-Surpass Issue Preferred Stock at 99

The Agnew Surpass Shoe Stores, Ltd., which has acquired the outstanding stock of the John Ritchie Company Ltd., John Agnew, Ltd., and Surpass Shoe Company, Ltd., is offering for subscription 10,000 shares of 7 per cent. preferred stock of $100 par value. The company which is incorporated under the Dominion laws operates the largest boot and shoe store chain in Canada and controls one of the largest manufacturers of boots and shoes.

Particulars of the issue follow:

$1,000,000
Agnew-Surpass Shoe Stores, Ltd.
7% Cumulative, Convertible Preference Stock

Capitalization—	Authorized	Issued
7% cum., convertible pref. stock	$1,500,000	$1,000,000
Common shares, n.p.v.	135,000	80,000

Preference stock may be converted into n.p.v. common shares at the rate of three common to one preferred at any time prior to redemption. Preferred shares are non-voting except in case of arrears of four quarterly payments. Application will be made for listing on Montreal exchange.

Company—Controls outstanding stock of John Ritchie Co., manufacturing men's boots and shoes, and John Agnew Co., and Surpass Shoe Co., operating chain of retail shoes in Ontario and Quebec.

Assets—Total net assets, excluding value of trade-marks, leases, contracts, good will, etc., is appraised at $1,268,680.

Earnings — Three constituent companies have a long record of profitable operation. Combined net earnings for 12 months ending May 31, 1928, were $162,210 or 2.3 times the dividend requirements of the preferred stock.

Offered—December, 1928, by R. A. Daly & Co., and Greenshields & Co., at $99 and accrued dividends.

Tenders and By-laws

Dec. 11. Essex—$37,300, 5½ per cent., 20-year debentures. R. R. Brett, clerk.

Town of Rouyn. Dec. 1—$140,000, 5½ per cent. 40 year, serial bonds. Roland Morin, sec.-treas.

This Week's Bond Sales

City of St. Thomas

The City of St. Thomas has rejected all tenders for the issue of $14,000, 5 per cent. 10-instalment bonds.

Town of Timmins

An issue of $68,500, 5½ per cent. 15 and 30-instalment bonds of the Town of Timmins has been awarded to Harris, MacKeen & Co., on a bid of 101.05, which is equal to a cost basis of 5.41 per cent. The bids were:

	Combined Price	15-Yr.	30-Yr.
Harris, MacKeen & Co.	101.05	....	....
C. H. Burgess & Co. ..		98	102.90

Ontario County

An issue of $38,000 Ontario County 5 per cent. 20-instalment bonds has been awarded to Wood, Gundy & Co., the price paid being 99.30, which is equal to a cost basis of 5.08 per cent. The bids:

Wood, Gundy & Co.	99.30
Dyment, Anderson & Co.	98.90
McLeod, Young, Weir & Co.	98.68

Calgary Schools

Wood, Gundy & Co. were the successful tenderers for an issue of $495,000, 5 per cent. 30-year serial bonds of Calgary Schools, on a bid of 98.30, or a cost basis of 5.18 per cent. The bids were:

Wood, Gundy & Co.	98.30
Imperial Bank of Canada	98.07
Can. Bank of Commerce	98.06
Fry, Mills, Spence & Co.	97.55
Dyment, Anderson & Co., and Bell, Gouinlock & Co.	97.03

Village of Forest Hill

Wood, Gundy & Co. have been awarded $100,000 5 per cent. 30-year bonds of Forest Hill, their bid being 98.19 or a cost basis of 5.16 per cent. The bids were:

Wood, Gundy & Co. have been awarded

Bell, Gouinlock & Co.	97.70
Dyment, Anderson & Co.	97.628
Bank of Commerce	97.45
McLeod, Young, Weir & Co.	97.18
C. H. Burgess & Co.	96.56
Mackay & Mackay	96.00

Dom. Traction Redeems Bonds For Sinking Fund

Dominion Traction & Lighting Co., which controls the Windsor, Essex & Lake Shore Rapid railway, has given notice through Union Trust Co., trustees for the bondholders, of the payment of $13,000 into the trust company as sinking fund for redemption of the $1,432,000 of first-mortgage bonds, dated May 1, 1913, and due May 1, 1943.

The Union Trust Co. invites offers for the sale of bonds at prices to include accrued interest to December 20, 1928.

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A Growing Industry

As Northern Ontario is in relation to the Pulp and Mining industries, so also is Southern Ontario relative to the Fruit and Tobacco industries.

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Barrett & Wood,
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BID ACCEPTED FOR $35,000,000 C.N. RY. BONDS

Blair & Co., Chase Securities, Head Large N.Y. and Can. Syndicate

Blair and Co., and Chase Securities Corporation, at the head of a large syndicate of United States and Canadian financial houses, were the successful bidders for $35,000,000 4½ per cent. 40-year callable bonds of the Canadian National Railways, tenders for which were opened December 5, at the headquarters of the C.N.R., in Montreal. The syndicate to which the award was made is essentially the same as the one which did the last financing for the C.N.R. Its bid was the highest among several which were submitted. The figure was not made public.

The C.N.R. has been doing temporary financing since a year ago last July, when an offering of $65,000,000 was made. The proceeds of the present issue, which will be offered to the public shortly, are understood to be mainly for branch line construction and general betterments.

The issue is guaranteed by the Dominion government.

Realty Company Financed For Metropolitan Stores

Over-subscription of a recent issue of $2,600,000 in first mortgage bonds of the Metropolitan Chain Properties, Ltd., recently issued in New York is announced. The company is a subsidiary of the Metropolitan Stores, Ltd., which operates in a number of the larger cities of Canada.

Details of the issue are as follows:

$2,600,000
Metropolitan Chain Properties, Ltd.
1st Mortgage, 6% Convertible Sinking Fund Gold Bonds
November 15, 1928 November 15, 1948

Capitalization—	Authorized	Issued
	$3,000,000	$2,600,000

Redeemable at 105 on 30 days notice after November 15, 1929, until same date, 1948.

Redeemable, convertible into common stock up to ten days prior to date of redemption.

Business — Incorporated under Dominion Companies Act, and wholly owned by Metropolitan Stores, Ltd. of Canada. Holds 18 store properties in 18 Canadian cities. Sales of Metropolitan stores in Canada and U. S. during 1927 were $12,262,174.

Security—First mortgage on 18 Canadian store properties and assignment to trustee of interest in 25-year leases on these properties. Valuation on store properties given as $4,061,332.

Earnings—Property is leased to Metropolitan Stores, Ltd., and Metropolitan Stores, Inc., for 25 years at an annual rental of $540,000.

Purpose—Acquisition of above properties, retirement of indebtedness on properties and other corporate purposes.

Management—Same as Metropolitan Stores, Ltd., and Metropolitan Stores, Inc.

Issued—November, 1928, by George H. Burr & Co., and Shields & Co., New York City, at 105 and accrued interest.

A Real Estate Bond with an Established earning power—
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Inspection Is Invited

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Municipal

Place	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Village of Forest Hill	Nov.	Wood, Gundy & Co.	5%	30-yr.	$100,000	98.19	5.16
Timmins	Nov.	Harris, MacKeen & Co.	5½%	15-30-ins.	68,500	101.05	5.41
Nelson, B.C.	Nov.	Victor W. Odlum & Co.	5%	20-yr.	240,000	97.43	...
Calgary Schools	Dec.	Wood, Gundy & Co.	5%	30-yr.	495,000	98.30	5.18
Ontario County	Dec.	Wood, Gundy & Co.	5%	20-ins.	38,000	99.30	5.08

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Metropolitan Chain Properties	Dec.	G. H. Burr & Co., Shields & Co.	6%	1948	$2,600,000	105	...
Quebec Power	Dec.	Aldred & Co., and Wood, Gundy & Co., and Syndicate	5%	....	12,000,000	97	5.18
Can. National Rlys.	Dec.	Blair & Co. and U. S. and Can. Sydnicate	4½	40-yr.	$35,000,000	...	..
Stock Issues—							
Agnew-Surpass Shoe Stores	Dec.	R. A. Daly & Co.	7%	Pref.	$1,000,000	99	...

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TORONTO, DECEMBER 7, 1928

A VOICE FOR THE FARM

A TRULY national agricultural council, able to command recognition as the mouthpiece of the farming industry of Canada, is certain to prove a factor of no small importance in creating understanding in Canada. Such a body is now coming into being as a pooling of the authority of the national bodies in the specific departments of dairying, produce, livestock, poultry and horticulture. Among these bodies, such an organization as the National Dairy Council, for instance, has shown itself to speak with greater weight in national affairs than has the present Canadian Council of Agriculture, which suffers from the prevalence of the opinion that it speaks only for the Western grain grower, despite its all-embracing name. That this opinion is not entirely a delusion is indicated by the fact that the national councils in five such important fields as those mentioned have seen fit to organize among themselves a larger national agricultural body.

The awakening interest of the farmers in national affairs is revealed by this action of their ablest leaders in the direction of national organization, organization not for political expression, but to crystallize into stated policies farming needs and demands, to make the farmer understood by other elements in the life of Canadian folk.

There is the very best of reason to believe that the new agricultural organization will work closely with the Canadian Chamber of Commerce, in itself of comparatively recent origin and already a factor in coordinating and expressing the viewpoint of business in Canada. What a vista of bettered relations the presence of these bodies opens up! Reasonable minded men as executives of these two organizations can do much in two or three days each year of joint conference, to iron out the antagonisms that exist in Canada.

For that reason business men will hail with delight the formation of this new agricultural council. The new body has come into being not to present a united farm front against the rest of Canada but to enable farming opinion to keep step with Canadian opinion as a whole.

NOT ENCOURAGING

IF A merchant refuses to make his wares attractive, his customers usually find it very simple to divert their patronage to another merchant who serves them better. But even more sensitive than buying power is capital, which flows with the greatest of ease from industry to industry and from country to country. No country has ever attempted any measure working a hardship upon the owners of property without experiencing that most deadening of economic influences, a flight of capital.

One may stop far short of socialism or confiscation of property and still exert an unfavorable influence upon capital investment. Heavy taxation, burdensome regulations regarding transfer of securities, and a public sentiment antagonistic to the capitalist system will all serve to warn intending investors away from a country.

Canada is a young country benefitting greatly from the continuous investment of outside capital here. Canada, therefore, should endeavor always to be fair to investors and should always be ready to make conditions here as attractive for investors as they are elsewhere.

The attitude of the Ontario Government to the Consumers Gas Company raises this question very bluntly. The government has ruled that the Consumers Gas Company cannot give its own shareholders any preferred right in subscription to new shares. The government denies to this company, which is under public control, the very privilege that the bank act requires banks to accord to their shareholders.

If we are to assume that the Ontario government is establishing a policy in this regard we may presume that any other corporation, over which it has a measure of control, will be required also to sell its stock in the open market by tender or auction instead of making it available on a preferred basis to its own shareholders. And as a natural corollary, is not the government committed to endeavoring to have the same principle enforced against other companies serving Ontario though not under the province's control, the Bell Telephone Company and the Canadian Pacific Railway, to mention but two?

Obviously Consumers Gas stock, without the possibility of "rights," is less attractive than with the assurance that they will be available. The fact that the stock has declined a net amount of twenty points in the market is evidence of investors' feeling in the matter. The $2,400,000 of book value represented by this decline has been taken away from those who invested in the company in good faith. Even those who have a profit on the stock have less profit than they would have had if rights had been available from time to time and the stock had remained at 205 instead of dropping to 185.

Canadians may view this paper loss with equanimity and worry little about the action of the government in taking the privilege of stock rights away from shareholders of this company. But a possibility suggests itself in this connection that cannot be viewed without alarm; simply that such a policy makes the shares of Canadian public service companies, subject to the ruling, less attractive than the shares of public service companies in the United States and other countries. The United States people do not attempt to impose any such unwise and short-sighted restrictions generally upon public utility corporations. The Consolidated Gas Company of New York and the American Telephone and Telegraph Company have not met the political storms that have been made to whistle around the ears of the Consumers Gas Company of Toronto and the Bell Telephone Company of Canada.

If we, as a people, are willing that our governments should make our own investments less attractive than the investments of other countries, we must be prepared to see Canadian investors sell their own holdings in order to buy American securities, thus robbing Canada of the productive capital involved. The Financial Post knows that many Canadian investors have sold their Bell Telephone stock to buy American Telephone and Telegraph stock and have benefitted thereby. We cannot but point as well to the fact that while Consumers Gas of Toronto was dropping from 205 to 185, many Canadians were benefitting from the rise in Consolidated Gas of New York from 78 to 108.

It may be that our politicians are making us pay too high a price for what we are getting out of this new policy that is creeping into our public utility regulation.

A FEW MORE ITEMS

SOME publicity matter put out by the United Farmers of Canada, Saskatchewan branch, contains some interesting and novel economics. Here is an extract:

According to The Financial Post Year Book for 1928 the present milling business is summarized as follows:

Total number of mills in Canada, 1,310.

Total capital invested in Canadian mills, $60,104,258.

Total salaries and wages paid, $7,190,022.

Total cost of materials, $163,164,668.

Total value of product, $187,944,731.

If we add together the total salaries and wages paid and cost of materials it amounts to $170,354,690. Deducting this from the total value of the products it leaves a net balance of $17,590,041.

That means a gross profit of 29 per cent. on an investment of sixty millions. The previous year's figures showed a gross profit of 36 per cent.

Whether these figures of The Financial Post are exact or only approximate, they show that the profits in the milling business are considerable.

The figures from the Yearbook of Canadian Business may be accepted as correct but the deductions drawn from the figures are not correct, as every business man knows. Salaries, wages and cost of materials are not the only items in industrial expense. A few other items which have to come out of the $17,590,000 profit so glibly figured by the United Farmers economist, would include, fuel, rent, depreciation and taxes (a very big item in these days). If the publicity material put out by the U. F. C., in its attempt to get Western farmers to go into the milling business, were to make allowances for these items, that organization might not be able to present such an attractive—and grossly unfair—picture to the farmer of what he is losing by merely growing the wheat and allowing someone else to mill it.

SPLITTING THE STOCK

THE shares of Ogilvie Flour Mills, Smelters and perhaps Canadian Pacific, it has been suggested, might be split. The advantages of such a step are painted by those who put forward the idea.

The shares of Consolidated Smelters may, and probably do provide as sound a speculative opportunity as the shares of any other mining company in the Dominion; but many investors, pursuing a sound investment policy, cannot afford to invest more than $400 in a stock such as Smelters. The purchase of but one share of Smelters is the less attractive as it is hard to pick up one share lots and hard too to sell them at prevailing market levels.

But if Smelters were split say ten for one, it is probable that literally thousands of Canadian investors would be willing to purchase five shares of the new stock as a five year hold.

With the shares of these three companies at their present levels, they are likely to be held only by the larger investors who can afford to buy them in board lots. Also, there is a tendency for the stock to fall into the hands of wealthy foreigners, rather than remaining at home in the hands of Canadians.

These features of the situation are probably recognized by the managements of these three companies—particularly the management of the C.P.R. which in its operations is obviously greatly assisted by the number of friendly shareholders scattered throughout Canada.

Even a company such as Ogilvie Flour Mills which gives its shareholders little information on its operations realizes, or will eventually realize, that it benefits materially through the upbuilding of the friendliest relations possible with its shareholders, rather than simply having the shareholders regard their company as a satisfactory money-making organization.

While the public and the brokerage houses undoubtedly would relish a split in these securities, it is absurd to suppose that brokerage opinion should have any effect on the policies of such companies as C.P.R., Ogilvie or Smelters. Whether or not any one of these companies should split its shares depends entirely on the attitude of the directors.

The day may come, though, when these directorates will experience a change of heart and the shares of one, two or perhaps the three companies will be split, but speculative clamor will not bring it about.

WHAT PRICE CHARITY?

IN A bulletin headed, "What Price Charity?" the Better Business Bureau of Montreal warns business men in that city that the approach of the Christmas season is accompanied by many appeals for assistance—some of them worthy—many rather questionable—others absolute swindles.

The Bureau points out that in some instances the sale of concert tickets and raffle tickets is a most unsatisfactory way to raise funds even for worthy causes.

Then, there are appeals for advertising by some labor organizations. One labor organization with only 200 members published a magazine in 1927 and received $42,000 of which all but $643 was consumed in commissions and expenses. Three solicitors received $31,000.

Hence, in all appeals of this character during the coming festive season, business men would do well to investigate thoroughly before committing either themselves or their firms to expenditures which, while sometimes made in worthy causes, are often made through inexpedient channels.

GOVERNMENT AND BUSINESS

WHEN governments interfere in business the results are apt to be very serious and prolonged. Governments do not ordinarily interfere in business until a crisis arises or is at least imminent. If business men foresee the crisis and introduce self-government into their business they will avoid the necessity of government interference.

Great Britain's interference in the rubber-growing business is proving little short of disastrous to the British rubber producers for whom it was intended as a benefit. The Stevenson scheme for restriction of rubber production was intended to stabilize the price of rubber. It had the effect of increasing rubber prices and, when in 1925, rubber tipped $1.12 a pound it had reached an inflated level. British rubber producers were helped for a while, but they soon found that producers in other than British possessions took advantage of the situation to increase their own production, and these found a ready market for their increased output at the prices that were being maintained by the British producers. When the Stevenson scheme was finally dropped, rubber collapsed to a low of sixteen cents and the British plantations were left in a sorry plight. Government interference again proved unavailing as a remedy for an economic disease.

The newsprint manufacturing companies of Canada have had it in their power for some years to improve the condition of their industry, but they failed to exercise their power. The Ontario and Quebec governments gave them every chance, in fact waited too long. It is fortunate that the protective measures now to be enforced are to be administered under the direction of the producers themselves with government co-operation rather than the other way about.

AIDS MARITIMES

THE freight rate reductions granted the Maritime provinces following the recommendations of the Duncan report appear to be working out satisfactorily. During the first eight months of this year, the C.N.R. experienced a reduction in freight revenues for the period of only $161,622, whilst Maritime industries shipping over the C.N.R. lines made savings of $1,600,000 in freight charges. The savings on the freight bills of Maritime shippers for the first eight months of this year on all lines totals $2,339,000.

It is obvious that such savings must have had a beneficial effect on Maritime industries, not only directly, but indirectly, as the lower transportation costs must have had a reflex in increased employment. The total savings in the freight rate bills of Maritime shippers since the inauguration of the new rates, total $6,500,000.

The satisfactory point about these freight rate reductions is that they resulted in increased traffic for the railways. The Canadian National's freight revenue has only been reduced by about one tenth of the sum by which the 20 per cent. freight reduction reduced the freight bills of Maritime shippers. Or, to put it the other way round, the sum saved the Maritime shippers was ten times larger than the decline in the freight revenues of the Canadian National. It should not be long, therefore, until the increased volume of traffic on Maritime lines should more than compensate the railways for the 20 per cent. reduction put into effect by the government, and which of course is paid from the public treasury.

EDITORIAL NOTES

WITH the Canadian National's net operating revenues likely to exceed $50,000,000, the railway problem again shrinks.

Kidd, Financier, Murrin, Operator, of B. C. Electric

Former Now Becomes Chairman of Board and Murrin Succeeds Him in Presidency of Great Coast Utility

By CHARLES L. SHAW

Progressive conservatism seems to have been the guiding watchword of George Kidd, new chairman of the British Columbia Electric Railway, and of W. G. Murrin, who succeeds him as president. Mr. Kidd and Mr. Murrin are two of a kind—young, aggressive and full of enthusiasm for the vast enterprises which they control, but always with their feet squarely on the ground, fully conscious of their responsibility as chief executives of the biggest corporation in Western Canada. Under their direction the company has made its greatest progress and today its programme of expansion in hydro-electric development represents one of the most far-reaching power projects in the country.

Both are English born, having come to Canada as young men, both of them with reputations as business administrators and ambitious to make their mark, but probably little realizing at the time how fast the giant to be placed at their disposal would grow during the past decade or so.

Financial Brains of Company

George Kidd stepped up the ladder accountancy—strictly an inside, "office" man with an uncanny ability to scent financial leaks and repair them, to judge costs and keep them properly balanced with revenue. He has always been the "financial brains" of the company and the liaison officer between the operating end in British Columbia and the directorate seven thousand miles away in London.

It was not an easy task for a young man to keep his directors thoroughly informed and at the same time optimistic concerning the destinies of the British Columbia Electric during his earlier years of office, for during the war period the British Columbia Electric suffered like all other companies and several units of the company's operations lost heavily. During those dark days of the war it was George Kidd's job not only to manage the company's widespread operations in British Columbia, to keep fully abreast of the rapidly advancing field in public utilities, but to carry back to London at regular intervals a pleasant and at the same time truthful account of the situation. Pinched at home by heavy taxation, mounting costs of operation, labor troubles and the other gigantic problems involved in the successful prosecution of the war, the Old Country shareholders and directors of the British Columbia Electric found it difficult sometimes to maintain an unflinching optimism concerning the British Columbia Electric, operating in such a remote part of the Empire, but George Kidd's trips to London were like a tonic to their flagging spirits.

Credit to Mr. Kidd

The stability maintained by the company in that trying period of business depression during and immediately after the war is largely due to Mr. Kidd's keen perception of economic fundamentals and his unbeatable faith in the future destiny. His conservative policies at that time enabled the company to lay the groundwork for enormous expansion as soon as the atmosphere cleared, and during the last five years the new programme has been pushed forward in accordance with the improved financial and industrial conditions.

Mr. Kidd's conception of the development of British Columbia has been amazing in its accuracy. At a time when it seemed as though the current depression was likely to last for some years and arrest industrial progress for some time, Mr. Kidd was laying his plans for the development that actually did come. To-day the British Columbia Electric is preparing to meet the requirements of Vancouver of half a million people and a tributary area growing faster proportionately in population and industrial needs than any other section in the West.

Was Sheffield Youth

Even as a boy George Kidd was something of a "whizz" at figures. He showed remarkable aptitude for mathematics when at school and when as a youth he was articled to his father as an accountant he proved his worth at once. But Sheffield, where he was born, was too small a field for a lad with the ambition of George Kidd. He went to London and became associated with the accounting firm of Delotte, Plender, Griffiths & Co. In 1907, he entered the service of the British Columbia Railway as secretary to the London board. His quick grasp of essentials impressed the directors and he won their admiration and respect. In 1910 he made his first visit to Vancouver, then a city of less than 50,000 population. But George Kidd foresaw the progress that was before Vancouver as the Western terminal of two transcontinental roads and Canada's chief Pacific seaport. He foresaw the industries that were bound to come sooner or later and the opportunity for expansion of public utilities. He returned to London and settled down to his task as secretary of the London board, but after seeing the West, his heart was no longer in the Old Land. He went back to Vancouver the following year and when the office of comptroller of the company with residence in Vancouver was offered to him he quickly accepted. In 1914, he succeeded R. H. Sperling as general manager and in August, 1923, stepped up to the presidency when the company altered its previous policy and decided to have active control of the corporation's affairs centred in British Columbia instead of in England. Previous to that time the broad questions of policy were in the hands of R. H. Horne-Payne, the exceedingly able London public utilities magnate, who, in the closing days of the last century, had been chiefly responsible for reorganizing the British Columbia Electric and putting it on a substantial financial footing.

Murrin Is Engineer

William George Murrin, who at 53 becomes president of the B.C. Electric, is an engineer rather than a financier and his association with the company has been mainly with respect to the operation of its hydro-electric enterprises and its light, heat, power and tramway enterprises. He has been the pivot man of the organization so far as operation is concerned. His whole training from early manhood has been such as to equip him admirably for the position he now holds just at the time when the company is engaged in its greatest programme of physical expansion. He received a technical education and joined the staff of the London Electric Lighting Company in 1903, remaining with them until 1912, simultaneously holding the office of works manager of the London United Tramways Company during the last few years of his career in England. He came to British Columbia in 1913 as mechanical superintendent, his distinguished work with the London tramways system having attracted the attention of those in control of the British Columbia Electric. He became general superintendent, assistant general manager and vice-president in quick order.

Knows How to Relax

A man with an extraordinary capacity for work and a gift for stripping non-essential details from the main problems in hand, Mr. Murrin is recognized on the coast as an executive of rare talent; one who can stick very close to the job and at the same time spare himself from the strain of business routine. A tremendously strenuous worker, Mr. Murrin at the same time lives comfortably and realizes the value of relaxation. A person of extraordinary talents apart from the realm of business, he has been one of the leaders in the Little Theatre movement in Vancouver and at present is president of that association. He is not the type of big business executive who merely lends his name to struggling community organizations. If he gives his support to these movements he gives it unreservedly and gets in and works at the appointed task with as much enthusiasm as he gives to his job of bossing the biggest public utilities corporation in the West. That is probably Murrin's most important asset — his inexhaustible fund of enthusiasm. It is the same in the games that he plays—in golf, for instance, and tennis. He has within the last couple of years been president of the Vancouver Lawn Tennis Club and the Shaughnessy Heights Golf Club. He has also presided over the Returned Soldiers Club, the Vancouver Automobile Club and the B.C. Art League. These affiliations give some hint of the versatility of the man, the wide range of his interests. His is surely no single track mind. Among his friends and those who have worked and played with him there is no question but that Murrin is the man for the job.

POST-scripts

THE Post-Scribe idles away many a spare moment by delving into the writings of the old Roman and Greek writers. He invariably finds that humanity has altered but little during the centuries. The present day tendencies toward revolt among the more youthful members of society were just as evident in the disciples of Plato and the young centurions of the Roman legions as they are among our university students and among the younger folk of modern society.

Witness the following translation of a paragraph taken from the Deinosophists of Athenaeus, Book 11:

Timaeus, the Taurometitean, says that in Acragas there is a house called "The Ship" for the following reason. In it once certain young men became drunk and reached such a pitch of madness, heated by wine, that they thought they were sailing in a ship and had been caught in a great storm on the sea. And they became so beside themselves that they threw all the furniture and bedding out of the house, as if into the sea, for it seemed to them that they had been ordered by the pilot to lighten the ship on account of the storm. A large crowd gathered and made away with what had been thrown out, but even so the young men did not cease from their madness. And the next day the rulers of the city came to the house and called the young men before them. They, still sailing the sea, explained that being in distress through the storm, they had been compelled to throw overboard the greater part of the cargo. While the rulers wondered at their madness, one of the young men, who seemed nevertheless to be foremost among them by reason of his age, said: "I, O Gentlemen Tritons, through fear having thrown myself into the lowest parts of the ship, lay there keeping as low down as possible." So the rulers overlooked their infatuation and commanding them to take no more wine on board they let them go. But the foremost young man, filled with gratitude, said: "If ever we reach harbour, having escaped from so great a tempest, we will set up statues of you in our native land among the other marine deities as saviours, inasmuch as you appeared to us in our need." Hence this house is called "The Ship."

Other People's Views

Manitoba's Power Policy

Buffalo News.—"After a spirited fight between advocates of public and private ownership of hydro-electric developments, the provincial government of Manitoba has leased the water powers of Seven Sisters Falls on the Winnipeg River to a subsidiary of the Winnipeg Electric Company for a term of 50 years, under stipulation that the province may take over the property at the end of 30 years. More than that, the government at Ottawa has confirmed the lease, a procedure that was necessary, for when Manitoba was admitted to provincial status, the Dominion government reserved provisional control over natural resources there. With respect to the provinces of the original confederation there is no such provision.

"The leasing of the power of the Seven Sisters Falls, marks somewhat of a departure from policy in Manitoba. It is a great victory for the advocates there of private enterprise. Clearly the people of the prairie province no longer share belief with the people of Ontario that here is [...] only in public ownership and [...] of power developments. In this [...] Manitoba has declared for the [...] commonly accepted in the [...] States, of private operation under [...] lic control, a policy the wis[...] which experience has amply [...]onstrated."

"Stop Me If You've Heard This One"

He was a very painstaking golfer, and it took him three hours to reach the fifteenth hole, where he drove into the rough. After a long search the caddie located a ball which the player examined.

"No," he said, "this isn't mine. This is a very old ball."

"Yes," said the boy in exhausted tones, "but don't forget it's a long time since we started out, sir."

Canadian Government
Provincial, Municipal
and
Corporation Securities

R. A. DALY & CO.
LIMITED
BANK OF TORONTO BUILDING
TORONTO

R. A. DALY, Member
Toronto Stock Exchange

First Brought to Canada by Enthusiastic Travelers

The Rolls Razor is a luxurious necessity that is meeting the urgent demands of discriminating men for a safety razor that really will shave.

Unlike others, only one blade is necessary with a Rolls Razor. Of finest Sheffield steel, and hollow ground, this blade, properly handled, will give you a lifetime of perfect shaves.

With a case made for honing and stropping, the blade, kept ever keen, shaves flat to the face. It cuts the hair—does not pull it out.

Here is a razor that any man will take pride in possessing—here is a gift that any man will welcome. The price is $8.50 for the silverplate model and $6.50 for nickelplate. Ryrie-Birks are exclusive selling agents.

RYRIE-BIRKS
LIMITED
YONGE & TEMPERANCE STS.
TORONTO

"The Rising Tide of Prosperity in Canada"

A recent article by Standard Statistics Co., Inc., so clearly crystalized the highly favorable condition of affairs in Canada that we believed investors would be interested in having a copy.

Through permission of Standard Statistics Co., Inc., we are enabled to give you a copy of this article upon request to us. It is decidedly worth while having and reading.

Cochran, Hay & Co.
Limited
Dominion Bank Building, Toronto
J. STRATHEARN HAY, Member, Toronto Stock Exchange
HAMILTON LONDON KITCHENER WINDSOR

An Open Letter to Advertisers

THAT which follows is part of a letter written to a prospective customer. There is nothing private about it, and it may be worth your while to read it if you spend money for advertising.

* * * * * *

This letter sets out those things that I told to you and that you should know when considering a change in your advertising agency.

I stressed the effectiveness and the economy of my organization's method of operation. We are effective and economical because:

1. Each member of the staff is a practical craftsman in that department of the business in which he or she may be engaged.
2. We are economical because we don't carry any persons for stage effect.
3. We don't pretend to do anything for an advertiser but advertise, and we are equipped to work in all media.

Creative Work.—Insofar as the creation of ideas is concerned, we range as far as fancy wanders. Any member of the staff who has an idea is encouraged to develop it. In our search for original ideas or for adaptable ideas, we do not confine our observations and investigations to North America. We make it a point to keep abreast of the work of able craftsmen all over Great Britain and the Continent. I go abroad each year partly in pursuance of this policy.

Technique.—We keep thoroughly posted upon the technique of our craft, and may fairly claim to have introduced one or two new methods; or to have resurrected one or two old but effective methods in Canadian newspaper advertising.

Copy.—I personally am responsible for the larger part of the copy turned out in this office. In fact, the primary thing I have to sell is this ability as a writer of advertising. Given equal judgment in the management of an account, the only thing that distinguishes one advertising agency from another is the ability of its copy executives. There is no way of proving that my copy is better than anybody else's, but it may throw a sidelight on the matter to tell you that:—

1. I was Copy Executive of another agency for seven years before establishing this business.
2. I produced during the war—
   (a) A great proportion of the Victory Loan newspaper advertising each year. A great many of the bill-boards were based upon that newspaper copy.
   (b) All the advertising for the Imperial Munitions Board,
   (c) All the advertising each succeeding year for the Canadian Red Cross, the British Red Cross and the Toronto and York County Patriotic Fund.
   (d) All the advertising for Ontario Organization of Resources Committee—Department of Labor.
   (e) I laid out the plans for a great deal of the recruiting advertising, and I produced the propaganda for the Salvation Army, Navy League, Catholic Army Huts and other temporary war-time organizations.

I have prepared and published campaigns for so wide a range of subjects as—

Chocolates and Motor Cars.
Transmission Machinery and Corsets.
Clothing and Corporation Bonds.
Milk and Typewriters.
Farm Implements and Health Salts.
Talking Machines and Groceries.

It was largely upon the reputation and connection I made in handling war propaganda that I was encouraged to establish this business on January 1st, 1920.

I originated the first modern advertising done by Life Insurance Companies in Canada, and the Company I did it for is still using copy I wrote for them 15 years ago. I originated the first modern advertising done for Investment Bankers in Canada.

Until recently, I never employed a salesman; but in the nine years that I have been established I have secured, prepared and placed several million dollars' worth of business. This business has come to me largely as the result of my own advertising and because one client has recommended me to another. I have only lost one customer—he died, and the business was sold to American interests. Growth has come from carefully looking after what business I have.

Before coming to Canada sixteen years ago, I was engaged in this business in the United States, Great Britain and the Continent.

Art Work.—I do not carry staff artists. I buy in the open market to my customers' advantage.

Engraving.—I deal with Rapid-Grip. They are reliable.

Electrotyping.—I buy from the Diver Electrotype Company. They are, in my experience, the best firm in Canada. Diver Electrotype do all my shipping. It is cheaper to let them do it than to operate my own shipping department.

Printing.—I am not in the printing business. I design and prepare booklets, window cut-outs and all kinds of printed matter on an agreed fee basis. I will supervise production of it on a cost plus 10% basis. But, frankly, there is nothing in handling printing but grief, and I am willing to stop at the creative end and leave the manufacturing to more hardened promise-breakers than I am.

My financial references are—Bank of Nova Scotia, Toronto Branch, or any Canadian Publishers' Association.

I have never passed a discount.

My terms for payment are:—Cash within 10 days from date of invoice.

* * * * * *

If you would like to discuss business with me, I will wait upon you by appointment.

330 BAY STREET,
TORONTO
Phone
ADelaide 6222-6207

Branches at
Montreal & Winnipeg

Thornton Purkis
Advertising Counsellor

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Field Crop Revenue Shows Gain of $100,000,000 for 1928
Manitoba Records Greatest Proportionate Gain in Income
Construction Values Already Exceed Those for Last Year
Many New Records Established in Canada's Foreign Trade
Healthy Increase in Number of Newcomers Entering Country

REVENUE from Canadian field crops during 1928, according to an estimate prepared by The Financial Post Year Book of Canadian Business shortly to be published, amounts to $1,816,293,124. This compares with $1,736,439,000 in 1927 and $1,883,526,000 in 1926. As the estimates prepared by The Financial Post in other years have come within a fraction of one per cent. of the final Government figures, the above calculation may be taken as reasonably accurate.

The total for this year, while not quite as high as that of 1920 in dollars and cents, is, nevertheless, the greatest in the history of the country in purchasing power, if one takes into consideration the fact that the commodity price level in 1920 was roughly 140 points above the 1913 base level, whereas for 1928 the index is only 50 points higher. If the crop for 1928 were valued on 1920 prices, then the aggregate value would have reached the astounding figure of approximately $2,601,000,000.

In actual purchasing power, the farmer's revenue for 1928 is $80,000,000 more than last year, as the commodity price level has varied but little in the last two years. Further it should be considered that the buying power of the farmer for 1929 will be even greater than it was in 1928, owing to the fact that no large capital outlays will be necessary for machinery, implements, etc., as such were bought on a very large scale this year.

Manitoba in the Lead

As far as can be determined from a preliminary survey of the figures prepared by The Financial Post Year Book of Canadian Business, the most pronounced improvement in field crop revenue took place in Manitoba and Saskatchewan. The former recorded a substantial increase as compared with last year, when returns were limited owing to partial crop failure. A satisfactory feature of the estimate is that there is no marked decline in the revenue of any of the provinces. While Alberta's income is somewhat less than in 1927, it will be remembered that for last year Alberta garnered the greatest crop in its history.

Returns by provinces, together with comparative figures for 1927, are shown in the following table.

	1927	1928
P. E. Island	$ 22,198,000	$ 22,995,580
Nova Scotia	40,200,000	42,177,072
New Brunswick	33,238,000	35,979,437
Quebec	282,354,000	264,189,217
Ontario	510,025,000	485,859,622
Manitoba	115,074,000	171,900,666
Saskatchewan	360,686,000	448,050,350
Alberta	325,251,000	297,552,980
Brit. Columbia	47,411,000	47,588,200
Total	$1,736,439,000	$1,816,293,124

New Construction Heavy

A healthy factor in the current business situation is to be seen in the building contract let for November. According to Macleans building reports, the value of new construction contracted for was $29,038,200. This was about 4 per cent. below the figure for the corresponding month last year and nearly 35 per cent. below the record of the preceding month.

The November figure brought the total amount of new construction started since the first of the year up to $453,127,400. This is an increase of 18.5 per cent. over the same period of 1927 and an increase over the year of 1927 of 8 per cent.

The greatest proportion of contracts awarded throughout the Dominion during the eleven months period was in the business building division, which accounted for 35.8 per cent. of all construction. Residential work has continued at a higher level than in the past year and now stands at $133,271,400, or 29.4 per cent. Engineering contracts show $96,144,300, or 21.2 per cent., and industrial work, $61,405,400, or 13.6 per cent.

Work reported for the first time, as contemplated, now amounts to $698,315,500, as compared with $614,337,500 for the first eleven months of last year.

Industrial Situation Unchanged

There is virtually no change in the industrial situation in the past two weeks nor are there any indications of a change in the immediate future. The trend of activity is more pronounced than at this time last year. The steel, machinery, automobile, and textile companies are doing comparatively well. There has been a seasonal decline in many of the major industries, of course, but the volume of production is well above the average.

Few, if any industries, are experiencing lower operations this winter. The outlook for next year is decidedly good at the moment and many of the manufacturers are stocking up with supplies to take care of anticipated demands next spring. The agricultural implement and machinery manufacturers, are especially optimistic, but the same applies to nearly all lines of manufactures.

Export Values High

Canadian produce exported during the twelve months period ended October 31 last, amounting to $1,335,286,237, exceeded in value similar exports for any twelve months period since July, 1918, according to figures compiled by the government. In view of the great deflation in prices of some commodities that has taken place since the former record period, this is a remarkable achievement and reflects a tremendous expansion in Canadian production and in the growth of foreign markets for Canadian goods.

In other aspects of trade, Canada's foreign commerce broke all records for any twelve months period back to April, 1921. This is true of imports, $1,202,304,859; re-exports, $23,217,273; and collection of customs duty, $188,111,673.

Canada's favorable visible balance of trade, while more than $9,000,000 below last year's figures for the corresponding period, is recovering rapidly, having gained $19,729,000 since the twelve months total for September. It now stands at $156,198,000.

More People Coming

Another favorable indication of current business, is substantial increase in immigration this year. Canada needs population more than anything else and it is encouraging to note that larger numbers of people are being attracted to this country. For the first seven months of the current fiscal year, 131,754 persons entered this country. Of these 47,390 were British, 62,990 from foreign countries other than United States and 21,374 from the United States.

The total, of course, includes the movement of British harvesters last summer. While the majority of these 12,000 men returned to the Old Country, the number remaining was fairly substantial and as they are a good class, will prove welcome additions to Canada's population. Many of these migrants come to this country with a fair amount of capital and as they quickly become producers, have a beneficial effect on business.

Freight Movement Good

The volume of freight car loadings indicates that industry and trade is being well maintained above last year's levels. For the week of November 24, 85,970 cars of freight were loaded, as compared with 80,506 in the same period last year.

Since the beginning of the current year, cumulative loadings total 3,360,282 cars. This compares with 3,071,176 and 2,955,819 cars in the corresponding periods of 1927 and 1926, respectively. Further the number of cars received from foreign connections aggregate 1,861,319, as compared with 1,753,596 in the same period a year ago.

Much of the increase in the freight movement—which already has reached record proportions—is due to the heavier loadings of grain. On the other hand, only three major divisions show a decrease, which in each case is small and does not carry any significance.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly — Latest: This Year	Latest: Last Year	Cumulative for Year: This Year	Cumulative for Year: Last Year
Car Loadings (Nov 24)	85,970	80 506	3,360,282	3,071,176
Stock Index (Nov. 29)	787.5	251.7	......	......
C.P.R. Gross Earnings (Nov. 30)	$ 7,075,000	$ 6,454,000	$ 199,158,000	$ 174,093,000
C.N.R. Gross Earnings (Nov. 21)	$ 6,339,937	$ 5,456,611	$ 245,360,096	$ 219,887,840
	Monthly			
Production—				
Pig iron, tons (Oct.)	93,186	38,097	838,659	608,511
Steel, tons (Oct.)	108,987	56,371	1,028,697	780,660
Newsprint, cwt. (Oct.)	216,602	191,171	1,947,828	1,710 220
Automobiles (Oct.)	18,536	7,748	221,188	169,331
Boots and Shoes, pr., (Sept.)	1,402,515	1,548,589	13,657,029	13,416,180
Flour, bbls. (Oct.)	1,892,000	2,005,000	15 706,932	13,815,319
Construction—				
Building Permits (Oct.)	$ 21,508,672	$ 18,848,019	$ 187,697,420	$ 160,000,554
Contracts (Nov.)	29,038,200	30,260,500	453,127,400	382,269,600
Labor—				
Employment Index (November)	119.1	107.5	......	......
Trade—				
Imports (October)	$ 112,340,617	$ 93,935,872	$1,024,730,281	$ 909,553,352
Exports (October)	$ 141,816,210	$ 103,884,933	$1,051,590,362	$ 934,940,901
Imports of Key Products—				
Rubber, lbs. (Oct.)	6,593,000	4,009,000	55,461,849	50,395,944
Cotton, lbs. (Sept.)	4,970,969	4,814,195	85,905,110	98,361,852
Sugar, cwt., (Sept.)	736,843	769,362	6,926,171	......
Petroleum, gal., (Sept.)	14,286,084	13,141,770	296,928,899	......
Coal, tons (Sept.)	1,422,739	......	10,066,379	......
Exports of Key Products—				
Newsprint, cwt., (Sept.)	3,416,805	3,377,105	......	......
Automobiles, No. (Sept.)	6,279	2,856	52,135	47,053
Wheat, bush. (Oct.)	43,687,219	19,429,654	240,923,001	157,448,188
Wheat flour, bbls. (Oct.)	1,170,979	898,798	8,655,088	7,156,700
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,457,206	1,313,834	13,022,271	11,534,834
Population—				
Emigration (Sept.)	7,538	9,542	......	......
Immigration (Oct.)	11,663	9,433	......	......
Finance—				
Failures, No. (Sept.)	164	125	1,404	1,280
Failures, Liabilities (Sept.)	$ 2,070,279	$ 2,845,749	$ 20,464,378	$ 21,632,043
Bank Debits (Oct.)	$4,272 541,050	$3,511,830,245	$35,174.188,775	$27,668,700,400
Bond Sales (Oct.)	$ 39,554,022	$ 100,486,636	$ 362,691,338	$ 570,596,937
Insurance Sales (Oct.)	$ 55,743,000	$ 48,104,000	$ 468,107,000	$ 408,302,000
Wholesale Prices (1913-100)—				
General Index (Oct.)	150.2	149.7	......	......
Iron	139.1	142.2	......	......
Cottons, raw	151.2	173.8	......	......
Grains	142.9	163.1	......	......
Cattle	141.0	116.3	......	......
Rubber	36.9	56.4	......	......

ALCOHOL REPORT WELL SURPASSES ALL EXPECTATIONS

Gross, Net, Earnings Per Share, and Working Capital Increase

From Our Own Correspondent

MONTREAL.—In its usual succinct fashion, the annual report of the Canadian Industrial Alcohol Company for the year ending September 30, 1928, reveals the satisfactory betterment in the company's position which the shareholders have annually come to expect.

The document reveals a handsome increase in the net profits, a substantial increase in the amount transferred to surplus account and a decided strengthening in the company's already strong liquid position.

The results which were achieved during the year are revealed in the following comparison of income account and working capital figures which showed increased earnings per share of stock despite the issuance of "B" stock a year ago in the proportion of one new share for every eight then outstanding.

	1927-28	1926-27	1925-26
*Net profit	3,166,680	2,413,996	2,109,852
Dividends	1,614,041	1,189,229	1,024,000
Balance	1,522,639	1,224,767	1,085,852
Stk. bonus	......	807,900	......
Year's surp.	1,522,639	416,867	1,085,852
Prev. surp.	3,134,208	2,717,341	1,631,489
P. & L. surp.	4,656,846	3,134,208	2,717,341
†Earned on common	$2.90	$2.49	$2.63

†—Including new issue of B shares last year.
*—After deducting administration expenses and making provision for depreciation and income tax.

Working Capital Position

September 30th	1928	1927	1926
C. assets	8,922,799	5,479,991	4,272,427
C. liabs.	1,223,498	1,226,347	1,146,587
Work. cap.	7,699,301	4,253,444	3,125,840

Balance Sheet Position

The company's balance sheet shows an increase of some $600,000 in property account which is now carried at $5,140,921. The investment in associated companies stands virtually at last year's figure of $5,200,000. Inventories are shown on the books at $4,540,773, which can be taken as but a conservative valuation of these assets, as the warehoused spirits are shown at the cost figure, while the selling value of the stock on hand would be perhaps five or six times larger than this figure.

Also, the company's investment in subsidiary companies is shown at cost, whilst in fact these subsidiaries are earning sufficient on their capitalization to warrant these investments being revalued and carried on the books at a much higher figure.

The growth in the company's business is seen in accounts receivable, which are carried at $3,589,023, as against only $1,537,865 a year ago. Cash on hand is up about 50 per cent., and now stands at $793,003.

There are only two significant changes in the liabilities. Surplus account shows the increase noted in the foregoing profit and loss figures, and capital stock is now carried at $13,339,000 as against $10,958,000 a year ago.

FREE HOMESTEAD CLAIMS INCREASE THROUGH WEST

Claims in Peace River Increase Greatly Over 1927

The settlement of new territories in Western Canada has greatly increased during 1928 and to October 31, 11,521 free homesteads were taken up in comparison with the 5,172 taken up during the same period in 1927. During the month of October, 1,988 homesteads were taken up in the four Western provinces while 487 were taken up in October, 1927. In every month of 1928 much larger numbers of settlers have taken up homesteads than in the corresponding months of 1927.

In commenting on the figures on the filing of Dominion lands, the Department of the Interior, through its Natural Resources Intelligence Service, remarks that the taking up of the free homesteads clearly indicates the northern trend of development in agriculture in Western Canada. Summing up the monthly figures by land agencies, these show that the frontier is being just as steadily pushed back in the agricultural regions of the Prairie Provinces by the homesteaders as it is in other sections of Canada by the mining and pulp and paper developments, etc.

While the figures for the southern agencies at Moose Jaw, Lethbridge and Calgary show that homesteading is not over on the southern prairies and that in fact considerable increases are recorded at these points this year, it is in the north that the most remarkable progress has been made. This is entirely to be expected; nevertheless the figures are illuminating in indicating just how great the march of progress has been this year. At Prince Albert, representing the northern half of Saskatchewan, 2,855 homesteads were filed on in ten months this year compared with 1,501 in the corresponding period of 1927, a gain of 90 per cent. At Edmonton, representing Central Alberta, 2,240 homesteads were taken up to October 31, compared with 1,143 to the same date in 1927, an increase of 96 per cent.

It is in the Peace River country of Northern Alberta and British Columbia that the spotlight shines with greatest intensity on the activities in taking up the Federal Government's free homestead lands. At the Grand Prairie and Peace River agencies the total number of homesteads entered for in the first ten months of the current year was 4,178 compared with 894 in the corresponding months of last year, a gain of 367 per cent. These figures represent the totals for the Peace River section of both Alberta and British Columbia.

That the prospective settlers are not stopping at the Alberta boundary in their search for desirable lands but are pushing across into what is known as the Peace River Block in British Columbia is evident from a consideration of the separate filings at the Grand Prairie and Peace River agencies on lands in British Columbia. The entries for homesteads in the Peace River Block of British Columbia in the first ten months of 1928 total 515 as compared with 36 in the corresponding period of 1927, a thirteen-fold increase.

British Columbia Leads

Taking the figures for totals by provinces, in 1928 up to October 31, a decrease of 19 per cent. is shown in Manitoba with homesteads filed on this year numbering 466 against 576 to October 31 last year; in Saskatchewan this year's total is 3,990 compared with 2,311, an increase of 73 per cent.; in Alberta, 6,471 compared with 2,194, a gain of 195 per cent.; and in British Columbia, 594 as against 91, a gain of 553 per cent.

On October 31, with two months still to go before the year is closed, the total amount of free Federal Government land taken up in the four Western provinces of Canada was in the neighborhood of 1,800,000 acres. The number of souls represented by the 11,521 homestead entries so far this year totals 30,015. The statistics show a considerable number of American citizens taking up homestead lands in Western Canada this year, the total entries by persons coming from the United States in the ten months being 1,134 or almost 10 per cent. of the total. While practically every state in the Union is represented in the inrush of Americans, the states of North Dakota and Minnesota stand out prominently as the source of a great number of the new Canadian farmers.

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Pulp & Paper

Newsprint Operations to be Much Improved Tho' Prices Lower Profit

Are Newsprint Stocks a Buy? — Profits to be Much Lower

NEGOTIATIONS STILL

Might be Some Time Yet Before 1929 Price Level is Announced by Operators

From Our Own Correspondent

MONTREAL.—The year 1929 will witness improved operating conditions throughout the Canadian newsprint industry, coupled with declining profits. Some of the newer mills, which did not cut prices to obtain business, have only been operating about 60 per cent. capacity this year, whereas some of the independent mills have been operating at 100 per cent.

Next year, the situation will be changed and all mills will operate at 80 per cent. capacity—or at any capacity which the demand for newsprint warrants. Offsetting this more satisfactory operating position, there is the decided decline in newsprint prices.

While your correspondent has an accurate idea of the price at which newsprint will change hands at next year, yet the publication in Canada of anticipated prices would at the moment decidedly hamper the negotiations now under way between the various newsprint companies and between the companies and the larger purchasers of the United States.

Effect of Publicity

Any publicity touching the 1929 price of newsprint in this country is immediately copied by United States trade papers having a circulation amongst the publishers, who naturally are inclined to be suspicious of negotiations such as have already taken place and such as are at present under way in the industry.

The newsprint operators have all agreed to operate their plants at an even percentage of their rated capacity. The exact percentage of capacity will depend entirely on conditions in the newsprint market. Probably in January the scale of operations will amount to about 80 per cent. The various mills are still negotiating touching prices for next year. None of the newsprint men will hint at next year's prices, for as yet nothing has been decided; it may well be that the actual 1929 price will not be set until very close to New Year's Day—it all depends on progress made in the negotiations between the various newsprint interests. The reason for the delay in setting the price lies, of course, in International Paper's action in selling to Hearst for a three year period for $52 a ton at the mill.

Reducing Production

The newsprint companies which have been operating at 100 per cent. capacity this year and selling to Hearst, will reduce their output and turn over a proportion of their orders from Hearst to other companies. Hence, other companies participating in any orders for Hearst may find difficulty in selling to Hearst at, say $52 a ton, and selling at a little higher figure to competitors of Hearst, perhaps publishing a paper in a competitive centre.

In the meantime, it is understood that not only are the newsprint companies negotiating amongst themselves, but negotiations are under way with groups of the larger publishers in the States.

Will Be Much Lower

In any event, prices in 1929 will be very materially lower than in 1928, with a corresponding sharp contraction in the earnings in the newsprint companies next year—that is, those companies with an output composed of newsprint exclusively. Those with a diversified production naturally will do better.

It has often been said that any price cuts in newsprint would have no effect on consumption. Such a statement, though, appears to be but a half truth.

Newspaper owners are like other business men, their aim is not always to increase profits. It can be said that the chief objective of newspaper owners is to build up the value of their properties. In other words, to obtain a capital appreciation, rather than any mere temporary increase in the yield on their investment.

Make Larger Papers

Hence, the lower prices which will be in effect in 1929 will permit newspaper owners to increase the size of their papers and to improve the features which they print, which in turn will tend to build up circulation. All of which means that the decline in prices is virtually bound to find some reflection in increased consumption.

A consideration of the foregoing factors will enable the investor the better to arrive at an opinion as to the speculative merits of newsprint stocks at the present time.

When a stock like Abitibi sold down close to the $35 figure it obviously presented speculative features not without attractions. When a stock like Brompton, which will earn its dividend next year, sold down to 33, it, too, obviously had speculative attractions.

Have Appreciated

In the meantime, the newsprint securities have appreciated, so that a new assessment of their respective speculative merits must be made by investors who are considering buying or selling newsprint stocks.

The bullish school of thought feels that the present agreement amongst the newsprint manufacturers is the first step in a long-continued upward trend to the newsprint securities. The bearish element figures that earnings next year will decline very sharply and that it will still be a year or two before consumption shows any signs of really catching up to the productive capacity of the newsprint mills on this continent.

While the whole industry is certainly now on a more sound and a more constructive operating basis, yet it is equally certain that the industry yet has to pass through perhaps a prolonged period of thin times.

Indiscriminate Buys

Thoughtful investment opinion, therefore, is not at the moment recommending an indiscriminate purchase of the stocks of the newsprint companies. It is felt that from time to time the vagaries of the market may permit, though, the acquisition of the shares of one or two of the companies which are obviously selling out of line with the other producers, taking into consideration, of course, conditions as they exist.

Those companies which have funded debts outstanding and are paying dividends on their common shares, will, it is thought, certainly not earn their dividend requirements during the next twelve months. Hence, in the attempt to assess the relative merits of any of the newsprint stocks, at the present market price, the fact that earnings will decline very sharply and very decidedly is an element of fundamental and prime importance.

Old Chandler Mill Auctioned Shortly

From Our Own Correspondent

MONTREAL. — Once again the old Chandler mills steps into the pulp and paper limelight. This time, the St. Lawrence Pulp and Lumber Corporation in bankruptcy, to give the company its proper name, is to be sold by the trustees.

The property comes on the auction block on January 9 next. The assets included timber limits and a sulphite pulp mill having a rated capacity of 140 tons daily.

Pulp and Paper Institute to be Opened in January

From Our Own Correspondent

MONTREAL.—The formal opening of the Pulp and Paper Research Institute of McGill University will take place at the annual meeting of the Canadian Pulp and Paper Association on January 25 next, when the Governor-General will preside at the inaugural ceremonies. The financing of the Pulp and Paper Institute was provided in part by the Canadian Pulp and Paper Association.

Officers of Advertising Agency Formed by New Merger

T. L. ANDERSON, vice-president and manager of Toronto office. H. R. COCKFIELD, vice-president and managing director. G. WARREN BROWN president. EMILE M. EMERY, vice-president. H. D. CANTLON, vice-president.

Above are the five senior officers of the newly-formed advertising company of Cockfield, Brown & Company, formed by the merger of Advertising Service Company and National Publicity.

FRASER COMPANIES NEW RIGHTS SOON?

Felt That Something is Coming to Justify Price of Shares

From Our Own Correspondent

MONTREAL.—The expectation that the Fraser Companies would shortly issue new stock rights to the shareholders first voiced by The Financial Post recently, seems now to be generally accepted in investment circles. At the special shareholders' meeting held this week, the authorized capital stock was increased to 500,000 shares of no par value. Assuming the debenture holders exercise their rights to take up common stock to an amount of 12,000 shares, the stock outstanding would total 381,750 shares. It is now said that new stock will be offered to shareholders on the basis of one new for every 15 shares outstanding. This would bring the total issued capital outstanding up to 407,200 shares and would still leave over 92,000 shares in the treasury. If the issue be on this basis at $50 a share, it would give the rights an approximate value of $2.75 each.

Have Been Discounted

Future prospects of the Fraser Companies seem to have been thoroughly discounted in the market at present prices. Rumors that the company will earn five or six dollars a share next year are only guesses. On last year's earnings the company showed profits applicable to the common stock of about $1.50 a share.

The company has no interest in the Rolland Paper Company, though the executives of the Fraser Companies have a large personal interest in that concern.

With the new board mill at Madawaska in operation, and production from the new catalogue machine at Edmunston starting in the near future, the outlook for future earnings is bright. The company's new bleached sulphite pulp mill at Athol, N. B., will have a daily capacity of some 150 tons, and it is expected that this mill will be completed so that operations may be begun before the close of 1929.

More Pulp Mills Try Out Minton Vacuum Dryers

From Our Own Correspondent

MONTREAL.—The Minton Vacuum Dryer, one of the latest and one of the most important inventions in the pulp and paper industry, seems to be making strides commercially. The latest company to purchase Minton dryers, is the Brown Corporation at La Tuque. At this company's plant the dryers will be used in the manufacture of pulp.

Some other machines are in operation in Canadian newsprint mills. The principle of the Minton dryer is that the paper or pulp, instead of being dried on steam-heated rollers, is dried on the rollers inside a partial vacuum, thus permitting a reduced quantity of steam to be used in manufacturing operations.

Monarch Mortgage Will Report Best Year

A. Angus Macdonald & Co. have issued a circular letter stating that Monarch Mortgage & Investments had the most profitable period in its history in the first six months of 1928 and that the second half of the year probably will maintain this record. Monarch Mortgage & Investments had net income before taxes of $18,415 in 1925, $22,427 in 1926 and $30,480 in 1928.

At the close of the last fiscal year the 8 per cent. $10 par cumulative preferred stock outstanding totaled $278,299, of $1,000,000 authorized. There were 100,000 shares of common of $1 par value outstanding on which dividends of 10 cents per share are being paid.

TWO AD. AGENCIES LINKED IN MERGER

Cockfield, Brown and Co. is Result of Important Fusion

From Our Own Correspondent

MONTREAL. — Several important United States mergers in the advertising field have been followed by the union, announced this week, of two of the largest Canadian agencies. These two companies, Advertising Service Company and National Publicity Company, will henceforth operate as one under the name of Cockfield, Brown & Company.

The officers of the new company are G. Warren Brown, president, H. R. Cockfield, vice-president and managing director, Emile M. Emery, vice-president, H. D. Cantlon, vice-president, and T. L. Anderson, vice-president.

G. Warren Brown and Emile M. Emery were formerly heads of National Publicity Limited, which they organized in 1918. H. R. Cockfield was formerly president of The Advertising Service Company, Limited, which, with the late C. T. Solomon, he developed from its beginning in 1913.

H. D. Cantlon and T. L. Anderson were formely officers in National Publicity and in Advertising Service respectively. Mr. Cantlon has been engaged in advertising for over twenty years. Mr. Anderson joined Advertising Service eight years ago.

Before the merger The Advertising Service Company had offices in Toronto and Montreal, while National Publicity was located in Montreal.

The two Montreal offices are now to be combined in new space on the first and second floors of the Canada Cement Company Building and this will take effect at the end of the year. The Toronto office is to be continued in its present location on the eighteenth floor of the Metropolitan Bldg.

HUMBERSTONE SHOE DIRECTORS

W. T. Bate of St. Catharines, director of Dominion Stores, and E. K. Reiner, a director of Northern Rubber Co. and of Chartered Trust & Executor Co., have been elected directors of Humberstone Shoe Co. Col. J. G. Weir has resigned but J. H. Ratcliffe, vice-president, remains on the board as representative of McLeod, Young, Weir & Co.

PERFECTION GLASS NOW MAKING MONEY

From Our Own Correspondent

MONTREAL. — Results achieved to date by the Perfection Glass Company bear out the forecasts made by The Financial Post earlier in the year. The company is now operating on a profitable basis. Last year a deficit of $160,000 was experienced.

While profits, as yet, are only small, yet the comparison with a year ago shows that the management has made good progress. It is understood that the directorate is well satisfied with the results which have been [illegible] and that the outlook for 1929 [illegible] that the company's earning pow[illegible] tion should undergo a further [illegible] ment.

The shares have been changing [illegible] lately at about $2 a share, which [illegible] the 183,950 shares of no par v[illegible] total valuation of only $367,900. [illegible] figure compares very favorably [illegible] the company's assets after the [illegible] tion of all charges, such as [illegible] liabilities and patents, ranking [illegible] to the common stock. In other [illegible] the value of the company's assets, [illegible] er as a going or a non-going [illegible] seem to be well in excess of the [illegible] market valuation of the stock.

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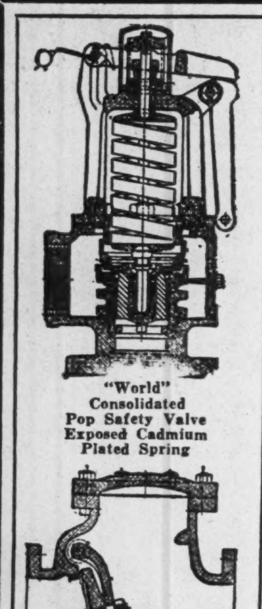

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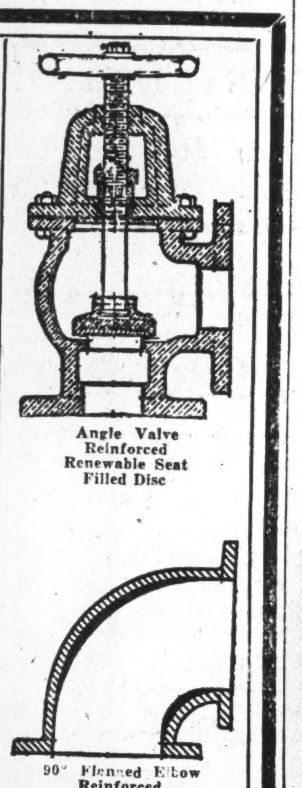

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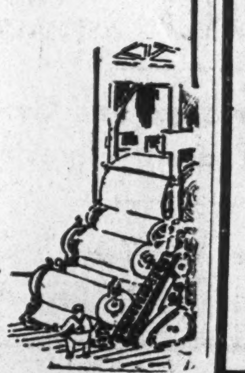

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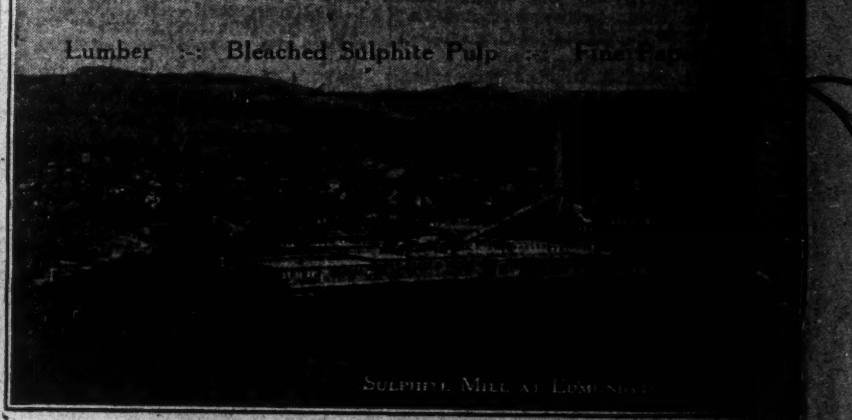

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

McColl-Frontenac

How the the shares of McColl-Frontenac regarded by those with a knowledge of the company's operations?

McColl-Frontenac common is a business man's speculation which looks attractive as a long hold.

Famous Players

Are the shares of Famous Players Canadian Corporation a good investment?

Famous Players is not an investment stock. It is a long hold speculative stock for a business man. It looks attractive in its class as the company is virtually the movie trust in Canada.

City Dairy

Do you consider the market too high for safe investment with reference to City Dairy, Imperial Oil and Goodyear Tire & Rubber Co.?

We are unable to predict with any accuracy whether the market will slump next week or next month. But we have undoubted faith in the future of the country, and we believe that stocks like Imperial Oil, City Dairy and Goodyear Tires can be bought at any time for the hold of two, four, five or ten years.

Abitibi Power

I am thinking of leaping in and purchasing Abitibi right now. How about it? Would I be wise?

While we believe that Abitibi over the next five years will do well, yet we would remind you that in view of the present situation surrounding the newsprint industry the stock is undoubtedly only a speculative purchase for a business man with a diversified list of similar holdings. Earnings next year will undoubtedly decline.

Beverage Stocks

I would be obliged if you would name several low-priced common stocks in the beverage class that you consider under-valued at the present market price and which have good prospects for the near future. I prefer dividend paying stocks.

How do you regard Brewers & Distillers of Vancouver and National Distillers? Are these subsidiaries of National Breweries and are they good for a long hold? Is there any prospect of dividends being paid on either in the near future?

Do you consider Pure Gold Manufacturing Co. a sound common stock and is the present dividend likely to keep up?

National Distilleries is not a subsidiary of National Breweries. National Distilleries is a decidedly speculative stock, in our opinion, but the company has a good board of directors, and as a hold the prospects seem to us to be fair for a business man. Early dividends are not likely.

National Breweries is a good long hold.

Brewers & Distillers of Vancouver have had a substantial advance in the last few years, but it is fair to assume that the company will continue to increase its profits owing to the increasing prosperity on the Pacific coast.

Carlings and Canadian Industrial Alcohol are two other stocks in the lower price range, which are fairly attractive, in our opinion.

Canadian Brewing Corporation currently selling around $28 per share is paying a $2 dividend. Our information is that the company is doing very well.

We believe that Pure Gold Manufacturing company will be able to maintain its present dividend. Our information is that the business of the company shows some growth over last year.

Asch, Limited.

Please tell me if the 7 per cent. preferred shares of Asch, Limited, are a satisfactory purchase.

We believe that the 7 per cent. preferred shares of Asch, Limited, would make a suitable buy for a business man who desired to include the stock in a diversified list of similar high yield securities.

The company is doing well, so we understand, and earnings are considerably larger than last year.

Imperial Oil

If holding some good stock like Imperial Oil or City Dairy, would you advise holding for one or two years or taking profits when possible?

We believe that stock like Imperial Oil and City Dairy should be held for the long hold rather than for the market turn. In other words, we believe that your profit would be greater if you held it for one or two years or longer than if you attempt to sell at the high points of the market from time to time.

Canada Power

I have been told to purchase the bonds of the Canada Power and Paper Company at 87. Do you think they are a good investment for a woman? I myself favor purchasing Shawinigan or Quebec Power. What do you think?

We do not believe that Canada Power and Paper debentures at 87 are a purchase for a woman. You have made some mistake, the company has no bonds, the only bonds issued are those issued by the subsidiary companies of the Canada Power and Paper.

Such a high yield debenture, in our opinion, is a suitable investment for a man with a diversified list of high yield securities.

We feel that over a long pull you would do better by purchasing Shawinigan or Quebec Power, rather than buying Canada Power and Paper debentures.

Durant Motors

Do you consider Durant Motors of Canada, common stock, a reasonable hold for a few years? I have 10 shares purchased at $11. Would you advise selling at present price or holding with the prospects of future advance in price?

Durant Motors of Canada is in an improving position, and it is reasonable to expect further appreciation in the market value of the stock. The speculative feature is that the parent company in the United States relatively is not making such good progress, and if anything should happen to that company there would be an adverse effect on the Canadian company. On the whole, however, we think the outlook favorable for the stock in the Canadian company. The plant which originally was designed to produce 10,000 vehicles per year, this year will have produced 15,000 vehicles, and we understand that the capacity is to be enlarged shortly.

Diversification

Would you advise investing in a number of different stocks in different fields of industry rather than investing in one or two?

Spreading one's investment over a number of companies in various fields of industry is a sound and almost an essential principle of investment.

Wright Motors

One of my clients wants to know whether he should increase his holdings in the Wright Flexible Axle Motors. He has received a circular from Warren, Cook and Company advising him to do so.

Repeatedly The Financial Post has warned investors against buying into or increasing their holdings of the Wright Flexible Axle Motors. We do not consider that this company has a chance in the world of success.

The Better Business Bureau recently published a bulletin which revealed some of the unsatisfactory features of the company and the unattractive features of dealings with Warren, Cooke and Company.

Trust Companies

What company paying four per cent. on deposits in the city of Hamilton would you recommend as sound? I am thinking of the Huron & Erie Mortgage Co. and the National Trust. Are these all right and which is the stronger of the two?

Money deposited with either the Huron & Erie Mortgage Corporation or the National Trust Company is entirely safe, in our opinion. Earnings of National Trust have been growing very rapidly in the last several years, but earnings of the Huron & Erie Mortgage Company still are somewhat ahead of the earnings of National Trust. The capital of Huron & Erie is $5,000,000 and the reserve is $2,500,000. The capital of National Trust is $3,000,000 and the reserve is $3,000,000.

A. J. Freiman, Pfd.

Kindly give me your opinion regarding the preferred stock of A. J. Freiman, Ltd., Ottawa. I purchased some of this with a bonus of common and it was listed shortly after on the Montreal Curb and for a few days there was a little activity but since then I have not noticed any sales and have been wondering why it is so inactive?

Do you consider it a sound investment and will the common be likely to appreciate in value?

Our information is that sales of A. J. Freiman, Ltd., of Ottawa have shown considerable increase under the new regime and profits will be somewhat higher than formerly. The stock, be believe, should do very well over a term of years. It has not been active in common with a number of other new issues which were introduced about the same time. It is not, as yet, a seasoned investment, but it is not unsuitable for a business man, in our opinion.

Sobie Silk Shops

When are the shares of the Sobie Silk Shops to be listed? The stock should have been listed long ago. How is the company doing and what is the present price of the shares? How do you regard the stock? What is the outlook for the future of the company?

In the circular which we have on file touching the offering of the Sobie Silk Shops preferred on June 17, 1927, no mention was made of listing the stock. As we understand it, the stock was not sold on the understanding that it would be listed. The management, so we understand, has not even discussed listing the shares.

We understand that the company is doing fairly well and for the current year will show between $2 and $3 a share earned on the common stock which as you are aware was given as a bonus with the preferred.

The stock was offered at $25 a share plus the common bonus. The present asked price is about $25.50 and the bid price is about $24.50 for the preferred and common units.

The outlook for the future for the company seems to be fairly satisfactory. The stock can only be regarded as a longhold speculative issue for a business man. We do not anticipate any particularly substantial increase in earnings in the immediate future.

Advised to Hold

As I have profited greatly by your advice before, I want to ask your advice again. It seems to me that stocks are getting very high and that we may get a general reaction soon, so I am seriously considering selling out all my stocks and waiting for a chance to get in lower down. The list of stocks I hold cost about $15,000 (excluding the mines, except Abana, Premier and Siscoe) and have a present sale value of $24,000, of which I owe $10,000. Dividends amount to $602 per year and interest to $696, thus leaving a balance of $93 a year that it costs me to carry these stocks. If Nickel pays $1 on the new shares it will make a balance the other way of $74.

Do you advise me to sell all or part of my stocks or to continue to hold my present list regardless of fluctuation of the market as I have in the past? I hold the following list of stocks:

50 International at 82.
6 International Nickel Bonus at 60.
20 Brazilian at 58½.
5 Steel of Canada at 171.
5 Bell Telephone at 150.
10 Imperial Oil at 58.
5 Dominion Glass at 130.
50 Pure Gold at 21½.
20 Can. Ind. Alcohol at 36⅞.
3 Industrial Alcohol B (bonus) at 20.
50 Can. Ind. Alcohol A at 43½.
10 Building Products at 40.
10 Fanny Farmer at 41⅜.
15 Internat. Pete. at 51¾.
125 Premier Gold at 2.17.
100 Abana at 3.85.
100 McVittie Graham at .40.
150 Evangeline at .50.
500 Evangeline exchanged from Calumet at .10.
750 Siscoe at .35.
500 Laval at .47.

Your margin is better than 50 per cent. You are in position, it seems to us, to withstand any recessions in the market which are likely to occur. There seems to be nothing in sight to interfere with the prosperity of Canada for several years at least. The stocks you hold are sound. The excess in interest charges over dividends probably are not a heavy burden. International Nickel should continue to progress as a company, and the stock market should reflect this progress, in our opinion.

Of course, your mining stocks are speculations, but they do not form a very substantial portion of your total investment.

N.S. Cold Storage

Do you regard the bonds of the Nova Scotia Public Cold Storage Terminals as an out and out safe investment? Safety, rather than yield, is of paramount importance to me.

While we regard the N.S. Public Cold Storage Terminals project favorably, and while we believe that the company will meet with success and will make fair earnings on its common shares, yet you must remember that at the moment the warehouses are only about 50 per cent. erected and, therefore, a construction bond cannot be regarded as a good investment for one who requires an absolutely safe investment.

Bruck Silk Mills

How do you regard the bonds of the Bruck Silk Mills?

Bruck Silk Mills is doing very well and we consider the bonds to be a satisfactory investment in their class. However, you must remember that bonds of a small company of this character are not in the same investment class as a large well established company which has for years shown earnings well in excess of bond interest requirements. The only unsatisfactory feature of the bonds is that the company is but small. On the whole, we feel that these bonds would fit in well into a well diversified list of bond holdings.

Wellington Building

I am interested in the first mortgage bonds now being issued on the Wellington Building, Toronto. Would you consider these a safe and sound investment?

I note that these bonds are offered by the United Bond Co. of Windsor who claim their bonds constitute a legal investment for fire and life insurance companies under the Dominion insurance act. Is this statement correct?

An insurance company may buy mortgage bonds for investment providing the total of the mortgage does not constitute more than 60 per cent. of the value of the property. This enabling clause of the Dominion Act does not mean, however, that insurance companies will buy the bonds put out by United Bond company. The purchase of insurance companies investments is regulated by the discretion, opinion, judgment and experience of the investment officers of the companies.

We are inclined to favor the bonds of United Bond company for the reason that the bonds are redeemed serially from year to year. This method of retiring the loan strengthens the position of the remaining bondholders from year to year and provides a market. Real estate bonds, as a class, usually lack marketability.

Asbestos Corporation

I bought Asbestos common on margin. Ever since making the purchase I have done nothing but watch the stock decline. Should I sell out or hang on?

As you are aware, The Financial Post does not advise on speculations in stocks and therefore we cannot advise you whether to sell your Asbestos common or to hang on. It depends on a variety of factors, some of which we have no knowledge such as the total funds which you may have available for speculation.

However, if we tell you what we feel touching the future of the stock, you may be able to arrive at the proper decision.

Asbestos common seems to us to be an out and out gamble. The immediate future of the stock looks very speculative. We see no hope for any immediate real appreciation.

The Asbestos Corporation has been passing through thin times and as you are aware there has even been rumors of the company passing its first dividend. We are inclined to believe that the rumors indicating that the preferred dividend will be passed are over-pessimistic. Nevertheless, there is obviously a possibility that such action might be taken.

If you can afford to stay with your stock for say five years, we are inclined to believe that it will then be selling higher due to the fundamental position in which the Canadian asbestos industry occupies in the industry throughout the world. Nevertheless, like any mining stock, it must be regarded as an out and out speculation.

Incidentally, the market for asbestos seems to be undergoing changes and the grade which the province of Quebec produces is not as fine a type as comes from the other few world sources of asbestos.

One satisfactory feature of the common stock of the company is that the dividends on the preferred shares are not cumulative, so that even if the preferred dividends were passed for a year or two there would be no arrears on the stock.

Paris Bonds

Through Cordasco Company I purchased some Paris, 5 per cent., 1919, bonds. That company used to forward me lists showing the bonds which had been drawn for redemption. But they have not sent me any lists of late. At the bottom of this letter I quote the number of the bonds which I hold. Could you find out whether they have been drawn? Are these bonds registered? Let me know also, please, the name of a reputable firm which deals in securities of this character.

We are sorry to learn that you had any dealings through Cordasco and Company. If this firm ever revives along its former lines we would certainly advise you to have nothing whatever to do with it.

As far as we have been able to learn, none of the bonds which you hold have yet been drawn.

We should advise you to cash the coupons on the bonds as unless they are cashed within five years from the due date they are valueless. Moreover, if you send in the coupons as they fall due, it will be an excellent check on whether or not your bonds have been drawn. If they have been drawn, the interest stubs and the coupon will be returned to you.

As far as we have been able to find out these Paris 5 per cent. bonds of 1919 were not registered.

For further information on foreign bonds, we would advise you to write direct to the European Debenture Corporation at 120 St. James St., Montreal. This firm will quote you buying and selling prices on foreign bonds and give you information on issues you may hold.

Regent Knitting

Let me have your views on the common stock of the Regent Knitting Mills, which I have been advised to purchase.

Regent Knitting Mills common stock we believe to be a fair long hold speculative purchase for a business man. The stock might well be included in a diversified list of such holdings.

The company seems to be doing well and over a term of years will, we believe, continue to make progress.

Profits this year are substantially larger than in 1927. It operates under a management which has brought the company along well in past years.

Common or Preferred?

Generally speaking, which would you recommend investing in, the common or preferred shares of a sound company? Please explain fully the advantages of each and the disadvantages when the company is paying dividends and when the company fails.

If you buy preferred stock you get a stock which is preferred as to dividends and assets. You get a fixed return on your investment if the company is able to pay its preferred dividends. There will be only slight appreciation of principal of a preferred share, the market price being regulated by the prevailing rates of interest for money. A company must pay its preferred dividends before any dividends are paid on the common. In the event of liquidation most preferred stocks require that the company pay the holders the amount they invested plus a small premium. Any further sums are distributed among the common stock holders.

When you purchase a common stock you are investing in the future of a company. If the common stock is paying dividends at the moment, it is usually sold at a price to give you an extremely low yield on your money. But if the company's success continues, it is probable that your average return over a term of years will be greater than the average return on the preferred stock in the same company, and at the same time your capital invested in common stock probably will have appreciated.

Consider the case of City Dairy. The preferred stock of City Dairy is a high-grade investment. The par value is $100, and the stock usually sells at about $128 at which price the yield is only slightly better than five per cent. Very little, if any, further appreciation can take place in this stock.

Persons who bought the common stock of this company many years ago find their original investment multiplied many times and in some instances they are now receiving in dividends each year more than the original cost of the stock. In the case of City Dairy in the last ten or fifteen years it certainly has been more advantageous to own the common than the preferred stock.

For persons who do not require immediate yield from their investments, we are inclined to favor the purchase of sound common stocks rather than preferred stocks. If a company is successful the greater profit comes from the common stock, and if a company fails the preference as to assets and dividends usually saves only a part of the holder's interest. In Canada in the last several years when it has been necessary to re-organize the capital structure of a company because of accumulated arrears in dividends it has been customary to ask the preferred holders to forego some of their rights and privileges. This has been necessary apparently in order to receive and strengthen the company's position. The common shareholders usually have lost or sacrificed less than the preferred shareholders. In one recent instance the preferred shareholders relinquished their claims on dividends aggregating to fifty per cent., while the common shareholders in the same company sacrificed only forty per cent. of their stock, and their stock was a junior claim.

If you do not need immediate high yield from your investments we think you would be wise to buy sound common stocks. We are unable to name any five stocks in order of merit because it is difficult to compare leading companies in one industry with leading companies in another industry. We think your selections of Imperial Oil, City Dairy and Goodyear Tire are highly attractive for a long hold, and we think you might add Quebec Power and Steel Company of Canada to your list. This would give you the five you ask for.

Investment Advice

As a subscriber to The Financial Post would you please advise me as to the following?

1.

	Par Val.	Div. Rate	Yield Oct. 29
Goodyear Tire, com.	n.p.	$5	3.30
Do. Pref.	100	$7	6.52

2. Par value, no par value common stock.
3. What are the outstanding differences between listed and unlisted stocks?
4. If the common shares of the Goodyear Tire Co. are split in the near future would a buyer of the common shares now profit under the split? If the said shares are split would it be better to buy after the split and, if so, why?

In answer to question one:

Goodyear Tire common stock is of no par value. The dividend rate is $5 per annum plus an extra payment of $1 per share. The yield is 3 3/10 per cent. on the market value as of October 29. The quotation of 181½ is the high price for the week ended October 30. The low price for that week was 174. The closing price on October 30 was 176 in contrast to the close of the previous week of 175. The high for the year up to October 30 was 181½ and the low price for the year was 128½.

The preferred stock is $100 par value and the dividend rate is seven per cent. per annum. At the present market price the yield on the cost of the shares is 6.52 per cent. The high price for the week was 108½, the low 107 and the closing price was 108. There was no change in the closing price of the week of October 30 in comparison with the closing price of the week ending October 23. The high price of this stock for 1928 was $110 and the low price was $104.

In answer to question two:

The par value of the stock is the nominal value of the stock as carried on the books of the company and as authorized by the company's charter. Preferred stocks usually have a par value, more often $100 than any other amount. In recent years common stocks have been issued without par value. Common stock originally issued in a new company usually represents the goodwill or other intangible assets of a company. Thus, when a common stock has a par value it is often necessary to set up on the opposite side of the balance sheet some items such as goodwill, franchises, leases, etc., which have not a tangible value. The market value of a common stock is fixed by earnings, prospects and the position of the company in its field. If common stock has a par value the market value usually bears little or no relation thereto.

In answer to question three:

A stock which is listed is a stock which can be traded on one or other of the recognized stock exchanges. This means that there is a ready market for the buyer and seller. Of course, there are listed stocks which are inactive. Shares which are not listed on any of the exchanges must be bought and sold through dealers in unlisted securities or through private individuals. Other things being equal, a listed stock usually will sell at a higher price than an unlisted stock and the buyer or seller of an unlisted stock must be put to the inconvenience of personal negotiation in each transaction. The difference between the bid price and the asked price often amounts to ten points.

In answer to question four:

Splitting high-price shares usually is advantageous to the holder. A split usually implies that the company is in a position to pay some higher dividends and the market reflects this position. Usually it is more profitable to buy before the split because stock markets normally anticipate good news. When the split actually comes many holders of the stock are inclined to sell part or all of their holdings and immediately after the split, the market has a tendency to rest for a while until the additional number of shares have been absorbed by the investing public. In the case of Goodyear we believe that the absorption would be rapid and that looking ahead two or three years it will make little difference whether you buy before the split or wait until the split has been accomplished.

When Women Invest

Three Ask Concerning International Petroleum; Common Stock for Business Woman Rather Than Preferred if She Does Not Need Income; Some Bonds Which Seem Safe.

A WEEKLY FEATURE

One of our employees, a woman, has $500 to invest for a period of ten years, and is undecided between British American Oil and Canada Steamship six per cent. stock. We would appreciate your advice as to which stock you think the safest and best to buy for a ten-year hold.

A business woman reasonably may invest in a common stock with a view to appreciation of principal, and probably British American Oil is as satisfactory as any which could be selected from this point of view.

If she invests in the 6 per cent. preferred stock of Canada Steamship Lines she can expect little in the way of appreciation of her principal, but we believe that she will receive dividends regularly and that her investment will be safe.

If she does not need the immediate income we would be inclined to favor purchase of British American Oil.

INTERNATIONAL PETROLEUM

I hold 25 shares in International Petroleum and B. A. Oil. Would you advise holding same for a further advance or selling one or both?

From some reports I have gleaned, there would possibly be a split in the latter.

We think that International Petroleum and British American Oil are promising speculative stocks in the oil group. We have heard rumors of a possible split in British American Oil, but there is no official information available concerning this.

BONDS WHICH SEEM SAFE

If a person had $5,000 to invest would the following bonds be a safe investment?

$1,000 Port Alfred Pulp and Paper.
1,000 Abitibi Power & Paper Co.
1,000 Montreal Light, Heat & Power.
1,000 Canada Cement Co.
1,000 Gatineau Power Co.

We think that your $5,000 could be safely invested in the bonds of Port Alfred Pulp and Paper, Abitibi Power and Paper, Montreal Light, Heat and Power, Canada Cement Company and Gatineau Power Company.

ASKS FOR SUGGESTIONS

At this time might I ask your advice as to what stock you would suggest as a good buy and one with a good chance of appreciation over a term of years. I already hold 20 shares of Mond at an average price of 37 and also 10 of International Petroleum at 36. I presume these are both good for a hold.

We think that you would be well advised to retain your holdings in Mond Nickel and International Petroleum.

A sound common stock which, we believe, will continue to progress is City Dairy of Toronto, and when the time comes when funds available will make it possible for you to further diversify your holdings you might purchase into such a sound company as Quebec Power or Winnipeg Electric. Power Corporation of Canada also is an attractive utility stock.

Public Utility Investments

The securities of light, power and telephone companies offer attractive opportunities for investment.

Our offerings of Public Utility bonds and shares are representative. Several of them give yields of 6% and more. We shall be glad to submit particulars upon request.

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For December Funds

A new issue of our Monthly List, describing high grade securities which we are recommending for sound investment, is now ready for mailing.

This list will assist any investor to obtain desirable diversification in investing new funds. It can also be made helpful by suggesting exchanges of existing holdings with a view to increasing safety or income.

The incomes offered by these investments range from 4½% to 7%.

Copy of this list will be sent on request. Write Dept. L-4

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Canadian bond sales to date amount to $377,929,140 as compared with $600,545,053 for the eleven months of 1927 and $560,203,870 for those of 1926. Government issues made up a total of $82,618,333; Municipal $24,429,807; Corporation $256,485,000 and Railway $14,396,000. United States purchases totalled $184,161,000; Canadian $183,634,807 and British $10,133,333.

CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING DEC. 4

	Par Value	Div. Rate	Yield Dec. 3	High for wk.	Low for wk.	Close Dec. 4	Close Nov. 27	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—										
Commerce	$100	12+1	4.06	320	312	320	316	890	335	227
Dominion	100	12+1	4.40	300	285	293	290	288	300	250
Can. Nationale	100	10	5.34	188	185¾	186	186	112	220	185
Imperial	100	12+1	4.69	280⅛	270	280⅛	270½	371	280⅛	245
Montreal	100	12+2	3.41	409½	395	403	400	1377	420	334
Nova Scotia	100	16	3.98	405	398	405	398	247	410	374
Royal	100	12+2	3.59	395	385	390	388	546	440	330
Toronto	100	12+1	4.52	287	275	287	273¼	239	340	273
Paper—										
Abitibi	n.p.	4	7.84	54	46½	47	53¾	12642	89¾	37½
Do. pref.	100	7	6.48	...	...	...	108	...	130	108
Do. pref.	100	6	6.85	89½	87½	88	86½	95	103	78
Belgo Can., pref.	100	7	6.93	101	97½	101	98½	155	110	95
Brompton	n.p.	$2	5.19	40	37	38½	39	2247	71	32
Can. Pr. & Paper	n.p.	.	...	34½	31	31	33¼	18722	55	25
Donnacona Paper	n.p.	.	...	27	24½	24½	26½	410	47	20
Fraser, com.	n.p.	$1	1.06	99	85	90	84½	44970	99	47
Inter. Paper, c.	n.p.	$2.40	4.21	58	55½	55½	57	2500	84⅞	51⅝
Do. pref.	100	7	7.10	...	...	...	...	...	108	98⅞
Pt. Alfred, com.	n.p.	.	...	70½	66½	69	70	1373	150	53½
Do. pref.	100	7	7.14	98	93	95	95	170	108	93
Price Bros., com.	100	2	2.50	84	75	79	84	1447	120⅝	60¼
Do. pref.	100	6½	6.40	101	99	101	100	25	108	98
Smith, Howard, c.	n.p.	.	...	33½	29½	29½	33	6085	34	19
Do. pref.	100	6	6.70	90	89½	90	92	160	98	88
St. Maur. V., pref.	100	7	7.40	95	93	95	91	200	105½	90
Wayagamack	n.p.	$3	4.19	75	70	70	75	580	127¼	61
Steel and Steel Industries—										
B.E. Steel, com.	100	.	...	4⅝	4	4¼	4¼	535	8½	1
Do. 1st pref.	100	.	...	35	35	35	35	280	48½	22
Do. 2nd pref.	100	.	...	8	6½	6½	8¼	1680	11¼	3½
Can. Car & Fdy., c.	100	.	...	96	77	94	77¼	20695	96	82
Do. pref.	100	7	6.66	108	100⅝	107	104	2181	108	90
Can. Fairbanks, pf.	100	6+6†	6.06	...	...	...	...	...	103	100
Can. Forgings, com.	100	.	...	...	...	...	...	...	32	15
Do. pref.	100	1½†	...	...	...	...	...	...	100	65
Can. G. Elec., com.	50	.	...	130	120	130	120	35	130	70½
Do. pref.	50	7	6.06	58½	57¾	57¾	58½	165	63	57
Can. Iron, com.	100	.	...	...	...	...	...	...	32	25
Do. pref.	100	4	...	75	75	75	75	3	80	60½
Can. Locomotive, c.	100	.	...	30½	30½	30½	25	25	40	25
Do. pref.	100	7	8.75	85	80	80	80	26	87	75
Cockshutt, com.	n.p.	.	...	36½	33½	35	35	11480	41⅝	23
Dominion Bridge	n.p.	$2.60+20c	2.94	99	92¾	94	94	13432	101½	61½
Do Rights	..	.	...	5.00	4.20	4.40	4.50	4074	5.00	4.00
Dominion Coal	100	.	...	90	90	90	90	105	98	75
Dominion Iron, pref.	100	.	...	11½	11½	11½	11	80	12	5
Dom. Steel Corp., pf.	100	.	...	43	42	42	42½	175	76¼	40
East Steel Pr.	n.p.	.	...	32	31	31½	31½	360	34	23
Do. pref.	100	7	7.07	99	98	99	98	50	99½	94
Gotfredson, com.	n.p.	.	...	...	...	...	...	...	15	5
Ford Motor	100	15	...	...	...	...	...	...	570	570
Hamil. Bridge	n.p.	.	...	43	41	41	42	2760	49½	23
Do. pref.	100	6½	7.18	91	89	90	90½	125	92	88
Hayes Wheel, com.	n.p.	.	...	48	45	47	43¼	1275	49½	21
Do. pref.	100	7	6.86	102	101	102	101	85	102	90
Kelvinator, com.	n.p.	.	...	14	8	12	10	3590	14	5
Do. pref.	100	7	8.53	82	80	80	83	10	88	65
Lake Sup. Corp.	100	.	...	19	16	18	18½	1415	19½	3
Massey-Harris, com.	n.p.	.	...	95¾	90	91	92	50050	97	36¾
Do. pref.	100	7	6.45	109	108	108½	109	368	114	107
McKin. Ind., com.	n.p.	$2	3.07	65	63	64½	63	1453	70	27¾
Do. pref.	100	7	6.86	102	102	102	102	79	102	96½
N.S. Car, com.	n.p.	.	...	89½	77	88	88	26047	89½	84½
N.S. Steel, pref.	100	.	...	...	...	...	...	...	30	25
Ont. Steel, com.	n.p.	$1.60	4.77	35¼	33	33½	32	320	40	30
Do. pref.	100	7	5.83	...	...	...	...	...	120	120
Page Hersey, com.	n.p.	$3	2.52	123	115½	119½	120	10960	123	85
Do. pref.	100	7	2.91	240	240	240	238	40	240	171
Pressed Metals, com.	n.p.	$1	5.00	20½	18½	20	18⅜	1481	21	17½
Do. pref.	100	7	7.00	...	...	...	...	...	105	95
Russell Motor, com.	100	4	5.71	...	...	...	...	...	72	56½
Do. pref.	100	7	6.73	105	104	104	103	25	105	97½
Steel of Can., new	n.p.	.	...	57	56	56½	57	1516	58	55
Do. com.	100	7	3.21	220	215	220	217	1259	240	160
Do. pref.	100	7	3.41	208	205	205	210	393	220	160
Milling, Foodstuffs and Merchandising—										
Alta. Pa. Gr., com.	n.p.	.	...	61½	58	60	62	1912	70½	48
Do. pref.	100	7	7.07	100	98⅞	99	99	75	102	96½
Assoc. Ind. Canners	n.p.	.	...	26	25	25	26	980	26	25
Atlan. Sugar, com.	n.p.	.	...	15	12¾	12¾	13¾	335	27½	12
Do. pref.	100	.	...	...	...	...	...	...	85½	70
B.C. Fish com.	n.p.	.	...	27½	27½	27½	27	45	27½	6¾
Do. pref.	100	.	...	87	86	86	86	352	87	46
B.C. Packers	n.p.	.	...	33¼	26½	30½	26¾	44321	33¼	12
Can. Bak. com.	n.p.	.	...	37	37	37	37½	25	42	25
Do. pref.	100	7	6.86	102	102	102	102	17	103	101½
Can. Bread, com.	n.p.	$6	4.00	154	149	149	157	150	170	148
Do. pref. (A)	100	7	6.03	116½	116	116½	116	104	124	113
Do. pref. (B)	100	7	6.48	108½	107⅞	108	107½	100	112¼	106
Can. Canners, com.	n.p.	.	...	24½	23	23	23	1508	24½	17
Do. 1st pref.	100	6	6.59	91½	90¾	91	91	292	98	88½
Do. 2nd pref.	n.p.	60c	2.44	25	23¾	24½	24½	2746	26	19
Canadian Salt	100	8	4.57	...	...	...	...	...	175	154
Christie Brown, c.	n.p.	$1.20	1.36	...	...	...	...	...	131½	79½
City Dairy, com.	n.p.	$2	3.03	66	64	66	64	1310	69	44⅞
Do. pref.	100	7	5.38	...	...	...	...	...	130	121
Cuban Can. Sug., c.	100	.	...	...	...	...	...	...	3½	1½
Do. pref.	100	.	...	...	...	...	...	...	30	14
Dom. Stores	n.p.	$3	1.87	162	150	159¼	150	727	162	104½
Fanny Farmer	n.p.	$1	3.33	35	30	30	30	155	41	27
Ham. Dairies, com.	n.p.	.	...	40	40	40	46	15	50	35
Do. pref.	100	7	7.00	...	...	...	...	...	106	100
Hunts, Ltd., com.	n.p.	$1	2.50	42	42	42	40	5	51½	37
Do. pref.	100	7	6.86	...	...	...	...	...	102	98
Inter. Milling, pref.	100	7	6.34	110¼	109	109	110½	48	111	107½
L. of Woods, com.	n.p.	$3.20	5.98	54⅞	53⅛	54	54	777	61¾	51
Do. pref.	100	7	5.83	...	...	...	...	...	125	110
L. Secord, com.	n.p.	$2	4.34	46	46	46	45¼	150	49½	37
Do. pref.	100	7	5.00	140	139⅞	139⅞	138	15	148	121
Loblaw, com.	n.p.	$2	2.02	100½	97	97	100	2463	118	74
Do. pref.	100	7	5.14	136	131	134	131	100	175	131
Maple L. Mill., com.	100	.	...	157	149	150	155	112	160	94
Do. pref.	100	7	6.25	112	110	112	114	112	115	103
Muirheads, com.	n.p.	60c	7.27	8½	8	8	8	226	16½	8
Do. pref.	10	75c	6.52	...	...	...	...	...	17½	11½
Nat. Grocers, pref.	100	8	7.92	101	101	101	100	10	101	97
Ogilvie Flour, com.	n.p.	$5	...	505	500	500	505	41	520	380
Do. pref.	100	7	5.38	130	130	130	130	35	143	125
Pure Gold Mfg.	n.p.	$2	7.14	29	27	27	30	180	31	22
Shred. W., com.	n.p.	$3	4.12	76½	63	76	63½	18710	78⅞	60½
Stanfords, com.	n.p.	$1	9.09	...	...	...	...	...	27¼	8½
Do. pref.	100	7	8.43	86	83	83	89¼	16	96½	83
St. Law. Fl., com.	100	.	...	30	29	29	30	175	52¼	29
Do pref.	100	7	7.36	...	...	...	...	...	96	94½
Traymore Caf., c.	n.p.	50c	5.05	9¼	9	9	9	45	10	9
Do. pref.	20	7	7.56	18⅛	18	18⅛	18	40	19	18
Viau Bisc., com.	n.p.	.	...	17½	16¾	17	17	205	33	14½
Do. pref.	100	7	7.97	...	...	...	...	...	90	84
W. Can. Fl., com.	n.p.	$1.40	4.24	35	33	34	33	115	50	31½
Do. pref.	100	6½	6.25	105	102	102	105	25	109⅝	102
W. Grocers, com.	n.p.	$1	3.57	28¼	26	28¼	26	85	28¼	19
Do. pref.	100	7	7.82	89½	89½	89½	88	20	89½	75
Weston, com.	n.p.	.	...	66	64	66	63½	305	69	48
Do. pref.	100	7	7.00	100	100	100	100	7	104	99
Utilities										
Bell Telephone	100	8	4.80	169	135½	166	166	720	175	154
B.C. Power (A)	n.p.	2	3.44	59	56	57	58½	15396	60¼	48½
Do. (B)	n.p.	.	...	39½	36	37	39	7180	43½	21½
Calgary Power	100	5	2.94	...	...	...	...	...	170	100
Consumers Gas	100	10	5.40	188	184	188	185	894	210	184
East Koot. Pr.	n.p.	.	...	27	27	27	27	5	30	25
Do. pref.	100	7	6.93	...	...	...	...	...	104	98
Int. Util. (A)	n.p.	$3.50	7.69	49	44	45	46	820	51½	40½
Do. (B)	n.p.	.	...	18½	15	17	15½	6733	19½	6½
Inter. Power, com.	n.p.	.	...	32	28½	32	29	280	43¼	27¾
Do. pref.	100	7	7.10	99	98	98	99	426	101⅛	94
Jam. Pub. Ser. pf.	100	7	6.30	111	110	110	110½	10	115	105
Laurentide Power	100	5	2.17	230	230	230	225	150	275	130
Mackay, com.	100	7	5.73	...	...	...	...	...	133	109½
Do. pref.	100	4	4.81	...	...	...	...	...	83	66
Mexican Light, com.	100	.	...	...	...	...	...	...	112	61½
Do. pref.	100	7	...	...	...	...	...	...	86	71
Mont. L. H. P.	n.p.	$2.40	2.14	114½	105	109	106	23543	120	89
Mont. Teleg.	40	8	5.76	55½	54¼	55½	54¼	205	56½	53¼
Nor. Mex. Pr., com.	100	4	4.34	92½	89¾	92½	94	1107	110	79
Do. pref.	100	7	7.52	...	...	...	...	...	105	93
Ot. & Hull P., com.	n.p.	.	...	...	...	...	...	...	70	35
Ott. L. H. & Pr., c.	100	6	5.00	120	120	120	120	82	136	120
Do. pref.	100	6½	6.50	105	102	105	101½	26	109	100
Postal Teleg., pref.	100	7	6.76	...	...	...	...	...	104	99½
Power Corp., com.	n.p.	$1	...	94¼	86½	90	86	24069	98	61½
Do. pref.	100	6	5.91	102	101½	101½	101	139	103	99
Quebec Power, com.	n.p.	$2	2.18	93½	88	89⅞	89½	7134	115	68½
Shawinigan	n.p.	$2	2.24	90	85	88	85¼	17678	109¾	81¼
S. Can. Pr., com.	n.p.	4	2.77	180	176	180	180	65	182	114
Do. pref.	100	6	5.60	107½	107	107¼	104	127	112	100
West Koot. Pr., pf.	100	7	...	...	...	...	...	...	112	106½
Transportation—										
Can. Pacific Rly.	100	10	4.03	250	242	242	250	280	255	198
Can. Steam., com.	n.p.	.	...	40	38¼	39½	40	835	47½	31
Do. pref.	100	6	6.31	95	92½	95	94½	772	98½	89
Do. Voting	..	.	...	39	38	39	38	210	45	31
Tractions—										
Barcelona	50	$1	...	58	56	58	57	101	78	56
Brazilian, com.	n.p.	$1.76	2.35	78½	72⅛	73¼	73	177920	78½	50
Do. pref.	100	6	3.00	...	...	...	...	...	200	160
Detroit Un. Rly.	100	.	...	...	...	...	...	...	2½	¼
Duluth Superior	100	.	...	8½	8	8½	8	38	22	7
Montreal Trams.	100	10	5.18	193	193	193	193	60	212	190
Ottawa Traction	100	.	...	55	55	55	55	60	73	55
Porto Rico Rys., c.	100	$4	5.97	...	...	...	...	...	67	67
Do. pref.	100	7	7.07	99	99	99	95½	5	106	95½
Twin City, com.	100	.	...	38½	36	36	38¾	586	55	31
Do. pref.	100	7	6.79	...	...	...	...	...	106	101
Winnipeg Elec., c.	n.p.	2	1.82	110	105	109	108	2641	128¾	93
Do. pref.	100	7	6.48	108	108	108	107½	40	115½	105½
Textiles—										
Can. Conn. Cot., pf.	100	.	...	...	...	...	...	...	97	66
Can. Converters	100	7	6.66	105	104	105	104	30	127	98½
Can. Cotton, com.	100	8	7.40	...	...	...	...	...	152	108
Do. pref.	100	6	5.76	104	104	104	104	20	105	98½
Can. Woollens, com.	100	.	...	...	...	...	...	...	25	10
Do. pref.	100	.	...	...	...	...	...	...	89¼	72
Cosmos Imp., com.	n.p.	.	...	23	21	22½	22	630	27½	17
Do. pref.	100	7	7.03	99½	99¼	99¼	99½	30	102	97
Dom. Tex., com.	n.p.	$5	4.23	118	112	115	115	2271	134½	101¾
Dom. Tex., pref.	100	7	5.93	120	118	120	119	45	131	117
Monarch Knit, com.	100	.	...	...	...	...	...	...	9	9
Do. pref.	100	.	...	63	62	63	62	20	70	45¾
Montreal Cot., com.	100	6	4.80	...	...	...	...	...	128	108
Do. pref.	100	7	5.73	122	122	122	120	10	125	118
Penmans, com.	n.p.	4	4.12	100	97	97	98	280	117⅞	97
Do. pref.	100	6	5.50	109	109	109	109	10	111	100
Wabasso Cotton	n.p.	.	...	59	59	59	58	5	133	55
Zimmerknit	n.p.	.	...	17	15	15	15	70	30	15
Do. pref.	100	7	8.04	...	...	...	...	...	94½	86
General Industries—										
Amer. Sales, com.	25	4	3.33	121	117	117	107	760	121	71
Do. pref.	100	7	5.51	129	123	123	122	425	129	105
Asbestos Co., com.	n.p.	.	...	20	15	19	18¾	3720	39¼	15
Do. pref.	100	7	10.60	66¾	62	66	60	1467	97⅜	62
Brant Cd., pref.	25	8	8.69	23½	23	23	23	215	24⅛	14
Building Prod., com.	n.p.	$1.20	3.07	39	36¼	38½	39	1605	47	29½
Do. pref.	100	7	6.99	104½	104½	104½	104½	5	106	101
Burt, F. N., com.	25	$3	3.40	100	77½	85	77	10624	100	63
Canada Cement, c.	n.p.	.	...	34⅞	31½	34	33½	8563	37	25
Do. pref.	100	6½	6.56	99	98	99	99	479	101¼	95
Can. Bronze, com.	n.p.	$4	2.83	146	140	140	140¼	1130	146	67
Do. pref.	100	7	6.36	110	110	110	110	155	111½	105¼
Can. Dredge, com.	n.p.	$2+25	3.33	67½	63	65½	64	6722	67½	31
Do. pref.	100	7	3.58	196	186	195	190	120	197	108
Conduits, com.	n.p.	50c	...	23½	22½	22½	23	140	23½	13
Do. pref.	100	7	6.93	...	...	...	...	...	102	101
Cons. Smelt.	25	10+40	3.37	391	365	370	390	5271	400	239
Crow's Nest Coal	100	6	10.00	...	...	...	...	...	65	53½
Dom. Glass, com.	100	7	5.00	143	140	140	148	367	151	122
Do. pref.	100	7	5.60	125	124	125	127	10	130	119
Dom. Rubber, pref.	100	7	7.21	...	...	...	...	...	100	95
E. Theat.	25	$2	6.66	...	...	...	...	...	31¾	25
Do. pref.	100	7	7.36	...	...	...	...	...	100	94
Enamel & Heat.	n.p.	$2	5.33	38	33	36	32½	6090	38	32½
Fam. Play., c., new	n.p.	.	...	33	30	33	31	1584	37½	20
Gilman Fan, com.	100	6	3.33	180	180	180	124	200	180	109
Do. pref.	100	7	5.00	...	...	...	...	...	140	118
Goodyear Tire, com.	n.p.	$5+1	2.55	240	200	230	202	531	240	128½
Do. pref.	100	7	6.48	108	107	108	107	352	110	104
Gypsum & Ala., c.	n.p.	$3	4.00	75	73¼	74	75	521	77	51
Ham. Un. Theat., c.	25	.	...	11½	11	11½	12	200	21½	7
Do. pref.	100	7	7.77	90	90	90	90	10	97½	82
Hinde & Dauch	n.p.	$1	4.00	25½	24	25	24½	340	33	22
Holt, Renfrew, com.	100	$3	3.06	...	...	...	...	...	120	80
Do. pref.	100	7	7.14	98	98	98	98½	50	100	92
Int. Nickel, com.	25	$3	1.42	231	207	210	225	36213	231	73¾
Do. (new)	n.p.	.	...	40	35	35⅜	38½	323443	40	31¼
King Edward Hotel	n.p.	$6	10.71	56	56	56	56	5	70	50
Lyall Construc.	n.p.	$3	5.08	63	57	58¼	59	2680	76	50
Loew's, com.	100	.	...	...	...	...	...	...	40	30
Do. pref.	100	7	7.60	...	...	...	...	...	102	88
Met. Chain Store	n.p.	.	...	...	...	...	...	...	65½	61
Mitchell, J. S., com.	n.p.	.	...	61	60	61	60	120	72	38
Do. pref.	100	7	6.33	110½	110½	110½	105	5	110½	99½
National Brick, com.	100	.	...	...	...	...	...	...	9	4
Do. pref.	100	6	8.57	70	70	70	70	25	75	60
Pacific Burt, com.	100	6	3.33	188	170	170	160	544	188	110
Do. pref.	100	7	3.78	185	160	165	155	323	185	120
Photo Engrav.	n.p.	$2	5.79	35	33½	35	35	770	42	33
Pt. Hope S., c., new	n.p.	.	...	60	60	60	58	125	65	50
Do. pref.	100	7	...	...	...	...	...	...	195	120
R. S. Mills	n.p.	$2	6.15	33	31	32	31	945	39	29
Rogers, Wm., com.	100	4	5.71	70	70	70	70	50	75	65
Do. pref.	100	7	7.03	99½	99½	99½	103	35	106	99½
Sher-Williams, com.	100	6	3.31	181	180½	181	181	105	185	159
Do. pref.	100	7	5.83	120	120	120	121	37	129	115
Simon & S., com.	n.p.	.	...	57	50	51	51½	2105	57	32
Do. pref.	100	7	6.66	105	105	105	101½	60	105	98
Simpson, Robt., pf.	100	6	5.82	103¼	102	103	102	505	108	101½
Standard Chem., c.	n.p.	2	6.66	...	...	...	...	...	34	24
Sterling Coal	100	.	...	...	...	...	...	...	19	13
Tooke Bros., com.	100	.	...	18	18	18	15	2	20	15
Do. pref.	100	7	10.76	65	65	65	68	2	78	65
Tuckett Tobacco, c.	100	4	3.33	120	120	120	120	40	120	98
Do. pref.	100	7	5.78	...	...	...	...	...	125	114
Windsor Hotel, c.	n.p.	.	...	31	30½	31	31	450	34	29
Do. pref.	100	6½	7.22	91	90	90	94	224	95	90
Woods Mfg., com.	100	.	...	...	...	...	...	...	38	30
Do. pref.	100	7	8.75	80	80	80	80	5	80	70
Beverage—										
Assoc. Brew., com.	n.p.	.	...	25	19	20	25	2687	25	15⅛
Do. pref.	100	7	7.14	98	94	98	95	265	98	92
Brading Brew.	n.p.	$2	8.33	26	24	26	23½	330	32	23½
Brew. & Distil.	n.p.	.	...	4¼	4¼	4¼	4¼	25	4¼	3
Can. Brew.	n.p.	$2	6.25	35	26¼	31½	28	16466	40	26¼
Canada Dry	n.p.	$4.50	5.69	80	78¼	78⅞	79	1000	87	63¾
C. Ind. Alc.	n.p.	$1.52	3.28	47	42½	46½	44	27377	50½	31½
Do. (B)	n.p.	.	...	41¼	38½	40	38¼	1482	47½	35¾
Can. Malting	n.p.	$1.50	4.76	34	30½	31	32	4171	43½	26½
Can. Wineries	n.p.	.	...	9½	8	8½	9	375	23	8
Carling Brew.	n.p.	$2	6.01	34¾	32	32	33½	1310	44	24½
Com. Alc.	n.p.	.	...	32	30	30	30	240	55½	18
Cosgrave B.	10	6	9.23	7	5¾	6⅛	6½	1440	11½	5¼
Distil-Seagram	n.p.	$1	4.87	21	19	19½	22	7875	32¼	13
Federal Distil.	n.p.	.	...	2½	2¼	2½	2¼	120	5½	1½
Chas. Gurd, com.	n.p.	.	...	42	39½	40½	39¼	3325	46	39
Do. pref.	100	7	6.36	...	...	...	...	...	110	106
Hiram Walker	n.p.	$3	3.70	84¼	78⅛	80⅛	83½	22743	91	50
I. Ont. Brew.	n.p.	.	...	8	6	6	7	77	30	6
Nat. Brew., com.	n.p.	4	2.94	138	135	136	140	2710	154	112½
Do. pref.	100	7	5.38	130	130	130	129	50	130	122
Nat. Distilleries	n.p.	.	...	16½	15	15½	16	1306	20¾	10
Orange Cr., com.	n.p.	.	...	20½	20	20	19¾	67	25¾	14½
Do. pref. (A)	100	7	7.07	99	99	99	100	50	106	98
Do. pref. (B)	n.p.	$2	4.84	42	40	42	39¼	107	51	38
Pelissiers	n.p.	.	...	7	6⅛	6	7	240	18½	6
Do. pref.	100	7	7.29	...	...	...	...	...	103	96
Can. Bud.	n.p.	.	...	...	...	...	...	...	10½	7
Oil—										
Ajax	1	.	...	.54	.41	.45	.53	38650	1.00	.39
Beacon Oil	n.p.	.	...	24	21	24	21	1182	24	13¼
Brit. Am. Oil	n.p.	$1	1.96	51	48½	50	49½	20762	55½	31¾
Can. Oil, com.	n.p.	$1	1.76	60	56½	58	60¼	195	68½	44
Do. pref.	100	8	6.15	130	130	130	130	10	170	125
Continental Oil	..	.	...	...	...	...	...	...	22	17
Dominion Oil	n.p.	15c	...	14¾	13½	14½	15	895	16	13½
Foothills Oil	n.p.	.	...	4.75	3.25	4.00	4.75	1500	6.35	1.50
Home Oil	1	.	...	2.95	2.45	2.85	2.40	17405	4.00	2.15
Imperial Oil	n.p.	$1.50	1.62	94½	91	91½	94	10139	103½	56
Int. Pete.	n.p.	75c	1.41	53	48	51	49	50733	57½	34½
McColl, com.	n.p.	25c	...	36½	32½	32½	35	19547	37	25
Do. pref.	n.p.	6	6.52	92	92	92	93	366	96	85
Do. Rights	..	.	...	2.50	2.00	2.05	2.50	22861	2.55	1.55
North Star, com.	5	.	...	5.65	5.00	5.00	5.50	108	5.75	2.25
Do. pref.	5	7	...	5.20	5.20	5.20	5.25	100	6.50	5.00
Petrol Oil	..	.	...	...	...	...	...	...	21⅞	11
Super Pet., com.	n.p.	50+25c	2.34	32½	29½	31¾	30	3499	37	25½
Do. Voting Trust	..	.	...	32	31	32	29	250	38	27½
Do. pref.	100	7	7.14	98	98	98	93	54	105	97
Trojan Oil	10	.	...	...	...	...	...	...	2.50	1.00
Volcanic Oil	n.p.	$1.45	3.45	42	41½	41½	42	151	42	29
Vacuum Gas	1	.	...	...	...	...	...	...	12½	3
Trust and Loan—										
Can. Permanent	100	12	5.04	240	236	240	238	34	251	230½
Central Canada	100	12+6	...	400	400	400	400	5	400	255⅛
Col. Invest.	10	.	...	...	...	...	...	...	6	4
Econ. Invest.	50	4	3.27	61	61	61	61½	185	61½	55
Huron & Erie	100	8	4.81	...	...	...	...	...	170	152
Landed Banking	100	10	4.93	...	...	...	...	...	205	200
Mont. Loan	25	12+1	6.77	...	...	...	...	...	49½	48
National Trust	100	12+1	3.61	...	...	...	...	...	370	305
Ont. Loan	50	12	4.47	134	134	134	135	10	140	128
Real Estate Loan	100	7	6.19	113	113	113	114	2	115	110
Toronto Gen. Trusts	100	12	4.36	275	275	275	270	3	300	270
Toronto Mgr.	50	12	4.80	...	...	...	...	...	127	114
Union Trust	100	7+1	6.15	...	...	...	...	...	150	130

CURB AND UNLISTED MARKETS

	Par Value	Div. Rate	Yield Dec. 3	High for wk.	Low for wk.	Close Dec. 4	Close Nov. 27	Sales for wk.	Range 1928 High	Range 1928 Low
Asch, com.	n.p.	.	...	30	30	30	28½	11	30	18
Do. pref.	100	7	8.64	...	...	...	...	...	93	81
Attendu Eng.	1	.	...	9	7½	8½	8	1452	21	7
Belding, com.	100	7	5.60	125	125	125	125	5	125	80
Do. pref.	100	7	6.93	...	...	...	...	...	110	94
Bissell, com.	n.p.	.	...	...	...	...	...	...	...	...
Do. pref.	100	7	...	...	...	...	...	...	...	...
Branston Silk	£1	.	...	...	...	...	...	...	5	5
Do. Def.	4s	.	...	...	...	...	...	...	325	310
Bruck Silk Mills	n.p.	.	...	94	89	90	93½	240	95	30⅛
Blue Ribbon, com.	n.p.	$2	4.34	46	42	44	42	3293	46	40
Do. pref.	50	6½	6.50	50	47½	48	47¾	343	50	41
Can. Celanese	n.p.	.	...	24	22	22⅞	23½	490	78	22
Do. pref.	100	.	...	50	50	50	52	45	103½	50
Can. Light & Power	100	.	...	76	40	65	54	1489	76	32
Can. Marconi	1	.	...	27	5	10	14½	17440	27	3
Can. Nor. Pr., com.	n.p.	.	...	100	94	100	87	85	100	65
Do. pref.	100	7	6.54	107	100½	100½	107	59	110	100
Can. Vickers	n.p.	.	...	38¾	37½	37½	38	325	49¼	24⅛
Do. pref.	100	7	7.44	94	92	92	93	10	96½	92
Can. Vinegar	n.p.	$1.60	5.33	30	28¼	28½	30	2010	31¼	25
Cons. Food Products	n.p.	.	...	13½	12½	12½	13	930	14½	5
Cons. Sand., com.	n.p.	.	...	18	17	17	17½	360	18½	11
Do. pref.	100	7	7.77	90	88	90	90	210	95	83¾
Cooksville Sh. Br., c.	100	.	...	...	...	...	...	...	14	14
Do. pref.	100	4	...	...	...	...	...	...	60	55
De Forest	n.p.	.	...	50	49	49½	49	576	52	31
Dom. Engineering	no	$3	2.83	109¾	106	109¼	108	2335	115	52
Dom. Fdy. & St., c.	100	.	...	...	...	...	...	...	26	5
Do. pref.	100	.	...	...	...	...	...	...	...	...
Dom. Power, com.	100	.	...	81	74	74	77	5465	81	45
Do. pref.	100	7	6.60	...	...	...	...	...	106⅝	104⅛
Dryden Paper	n.p.	.	...	41	35¼	39¼	40	2430	56	23
Durant Motor	10	40c	2.75	15	14	14	15	1165	16¼	6
E. Dairies, com.	n.p.	.	...	45	45	45	40	107	60¾	35
Do. pref.	100	7	6.86	...	...	...	...	...	102	99
Eng. Elec., com.	n.p.	.	...	18	18	18	18	43	31	11
Do. pref.	100	.	...	...	...	...	...	...	112	75
Farm. Dairy, com.	n.p.	50c	2.17	23	22	22	22½	160	27¼	17
Do. pref.	100	7	6.48	108	108	108	108	15	110	104
For. Pr. Secs.	n.p.	.	...	39½	38	38	39	880	56¼	30
Freiman, com.	n.p.	.	...	...	...	...	...	...	20	19¾
Do. pref.	100	6	6.66	...	...	...	...	...	90	90
Gen. St. Wares	n.p.	.	...	35½	32	34	32¼	10692	38¾	23
Do. pref.	100	7	6.86	...	...	...	...	...	102	101
Gt. W. Sad., com.	n.p.	.	...	27	26	26	26	1198	29½	19½
Do. pref.	100	6½	6.56	99	96¼	98½	99	208	100	94
Hamilton Cot., pref.	30	$2	6.25	32¼	32	32¼	32	235	39	30½
Hydro-Electric	n.p.	.	...	...	32	32	32	575	85	25½
Imp. Tob., com.	5	6+2	3.47	11½	10½	11¼	11½	15570	11½	8½
Kemsley Milbourn	n.p.	.	...	...	...	...	...	...	20	15¼
Loew's London, c.	10	3	...	...	...	...	...	...	5¾	4
Man. Power	n.p.	$3	3.15	96	94	96	94¾	328	128½	83
Mercury Mills	n.p.	.	...	...	...	...	...	...	41	35
Do. pref.	100	6	6.66	90	88½	90	88½	232	96	87½
Mitchell, Robt.	n.p.	.	...	46½	41½	41½	40	3556	46½	26
Do. pref.	100	7	5.73	125	122	125	120	50	125	95
Moore Corp.	..	.	...	33	29⅛	29⅛	...	3364	33	29⅛
Montreal Ex.	30	.	...	...	...	...	...	...	36	18
Municipal Ser.	n.p.	.	...	7	7	7	8	275	17	7
Ott. Riv. Pr.	n.p.	.	...	...	...	...	...	...	38	25
North Bak.	n.p.	$2	4.04	54	46	48	48	30816	54	37
Paton Mfg., com.	n.p.	.	...	...	...	...	...	...	68	55
Do. pref.	100	.	...	...	...	...	...	...	103	102
Perfection Glass	n.p.	.	...	2	1¾	1¾	2	335	8¾	1⅜
Pub. Utility Invest.	n.p.	.	...	18¼	13¼	13¼	13¾	35	14	13
Regent Knitting	n.p.	.	...	20	18½	20	19	840	33	17
Reliance Grain	n.p.	.	...	45	42½	44	45	125	55	38
Robinson Cone	n.p.	$1.50	6.00	25	25	25	25	50	34½	23
E L. Ruddy, pref.	100	7	...	...	...	...	...	...	101	97
Sarnia Bridge (A)	n.p.	$2	6.55	30½	30½	30½	31	20	32	30½
Do. (B)	n.p.	.	...	24½	23	23	25½	440	32	23
Service Stn. Equip.	n.p.	$1.60	3.13	53½	50	51¼	53¾	5635	57½	33
Do. pref.	100	6	5.17	116½	114	115	115	650	117¼	109
Sprucolite	n.p.	.	...	42	40	40	41	160	50	38
Standard Clay	n.p.	.	...	...	...	...	...	...	34½	33
Standard Pav.	n.p.	$1.50+37½)	6.46	30	28	28	29½	700	34¾	23
Tamblyn, com.	n.p.	.	...	46	44	44	45	380	46	21
Do. pref.	100	7	7.14	98	96½	98	96½	60	100	90
Tip Top Tailors	n.p.	.	...	34	32½	33	33½	738	35	26
Do. pref.	100	7	6.89	101½	100	101½	100¼	75	101½	95
United Fuel, com.	n.p.	.	...	23½	21	22½	22	213	36	17
Do. pref.	100	6	6.97	86	86	86	86	170	93	81
United Secs., com.	100	.	...	70	52	65	51	819	70	38
Do. pref.	100	6	5.71	104	103¾	104	104	424	105	100
Waterloo Mfg.	n.p.	$1	4.25	24½	22	24½	23	1330	25	16

†On arrears.

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MONTREAL
Direct Private Wires to New York and Toronto

Dividends Declared

	Rate	Date	Record
Pressed Metals, pfd	1¾%	Jan. 1, '29	Dec. 12
Durant Motors	10c.	Dec. 31	Nov. 15
Can. Oil, pref.	2%	Jan. 1	Dec. 20
Can. Fairbanks, pfd.	†6%	Dec. 15	Nov. 30
Inter. Power, c.	$1	Dec. 15	Dec. 1
Belding Cort., pfd.	1¾%	Dec. 15	Nov. 30
Eng. Electric, "A"	$1.50	Jan. 15	Dec. 31
Hinde & Dauch, c.	25c.	Jan. 2	Dec. 15
East Koot. Pr., pfd.	1¾%	Dec. 15	Nov. 30
Mining Corp.	12½c.	Dec. 20	Dec. 6
Walk.-Good. W.	75c.	Dec. 15	Nov. 30
Can. Perm. Mtge.	3%	Jan. 2	Dec. 15
C. P. Rly. com.	2½%	Dec. 31	Nov. 30
Ham. Un. Theat., pfd.	3½%	Dec. 31	Nov. 30
Reliance Grain	1⅝%	Dec. 15	Nov. 30
Cooks. Brick, pfd.	1%	Dec. 15	Nov. 30
Sher.-Williams, com.	1½%	Dec. 31	Dec. 15
Do., pref.	1¾%	Dec. 31	Dec. 15
Lake Shore Mines,	20+20%	Dec. 15	Dec. 1
Dom. Glass, com.	1¾%	Jan. 2	Dec. 15
Do., pref.	1¾%	Jan. 1	Dec. 15
Bk. of Nova Scotia	4%	Jan. 2	Dec. 15
Stanfords, com.	25c.	Dec. 15	Nov. 30
Dom. Oil	15c.	Dec. 15	Nov. 30
Conduits, com.	50c.	Dec. 15	Dec. 1
Dominion Bank	3+1%	Jan. 2	Dec. 20
Can. Gen. Elec., pfd.	1¾%	Jan. 2	Dec. 15
Belgo Can. Paper, pfd.	1¾%	Jan. 2	Dec. 15
Firstbrook Boxes, pfd.	1¾%	Dec. 15	Dec. 1
Port Alf. Pulp, pfd.	1¾%	Dec. 15	Dec. 1
St. Maur. Val., pfd.	1¾%	Jan. 2	Dec. 14
Land. Banking	2½%	Jan. 2	Dec. 15
Ont. Tobacco, pfd.	7%	Dec. 15	Dec. 1
West. Can. Flour, c.	35c.	Dec. 15	Nov. 30
Do., pref.	1⅝%	Dec. 15	Nov. 30
Can. Cement, pref.	1⅝%	Dec. 31	Nov. 30
Brazilian Tr., pref.	1½%	Jan. 1	Dec. 15
Inter. Utilities "A"	87½c.	Jan. 15	Dec. 27
Do., pref.	$1.75	Feb. 1	Jan. 17
Bell Telephone	2%	Jan. 15	Dec. 22
Dom. Bridge	65c.	Feb. 15	Jan. 31
Traymore, com.	12½c.	Jan. 1	Dec. 15
Do., pref.	1¾%	Jan. 1	Dec. 15
Oil Shares, c.	37½c	Dec. 20	Dec. 10
Can. Malting	37½c	Dec. 15	Nov. 30
Imp. Tobacco, c.	1½+2%	Dec. 28	Dec. 7
Power Corp., c.	$1	Dec. 20	Nov. 30
Nat. Grocers, 1st pfd.	2%	Jan. 1	Dec. 15
Do., 2nd pref.	1¾%	Jan. 1	Dec. 15
Amer. Salesbook, c.	$1	Jan. 2	Nov. 27
Do., pref.	1¾%	Jan. 2	Nov. 27
Gilman Fan., c.	1½%	Jan. 2	Nov. 27
Do., pref.	1¾%	Jan. 2	Nov. 27
Pac. Burt, c.	1½%	Jan. 2	Nov. 27
Do., pref.	1¾%	Jan. 2	Nov. 27
Inter. Proprietaries 'A'	60c.	Dec. 15	Nov. 29
Winnipeg Elec., pfd.	1¾%	Jan. 2	Dec. 6
Huron & Erie Mtge.	2%	Jan. 2	Dec. 15
Canada Trust	5%	Jan. 2	Dec. 15
McColl-Fron.	25c.	Jan. 15	Dec. 31
McKinnon Ind., c.	50c.	Jan. 15	Dec. 31
Do., pref.	1¾%	Jan. 1	Dec. 15

†—On arrears.

Unlisted Stocks

Recent London Quotations

Brewers & Distillers	16s. 6¼d.
Calgary Power ex. rts.	165
Hudson's Bay	120
Hudson's Bay, 5% pref.	100s.
Can. West. Lumber	9s.
Standard Chemical, 7%	25½
Dominion Tar	59s. 9d.

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	105	...
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	74	...

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	125	...
Can. Fire Ins. Co.	...	109
Home Invest. & S. Ass'n	77	...
Nor. Can. Mort.	...	30
N. Mtge. 50% paid	26	...
Northern Trusts Co.	50	51
Standard Trusts Co.	...	33
No. Star Oil, pref.	...	5.25
No. Star Oil, com.	...	5.40
West. Steel Prod., pref.	96½	97
Do., com.	43	44
Crescent Creamery	99½	...

Foreign Exchange

NEW YORK FUNDS

	High (Discount)	Low	Last year High (Discount)	Last year Low
Nov. 29	3-16	15-64	11-64	3-16
Nov. 30	Par	1-32	5-64	3-32
Dec. 1	x5-64	5-64	3-32	1-8
Dec. 3	x5-32	5-64	1-64	1-16
Dec. 4	x5-32	1-8	Par	1-64
Dec. 5	x1-8	5-32	x5-64	Par

xPremium.

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
Nov. 29	...	...	...
Nov. 30	4.84 3-4	3.90 11-16	5.23 3-4
Dec. 1	4.84 3-4	3.90 11-16	5.23 3-4
Dec. 3	4.84 23-32	3.90 3-8	5.23 3-8
Dec. 4	4.84 11-16	3.90 7-16	5.23 1-2
Dec. 5	4.84 11-16	3.90 3-8	5.23 5-8

FOREIGN EXCHANGE

19.30	Italian	5.28	5.25
23.80	German	23.79	23.89
13.90	Belgian	13.87	13.92
49.80	Japanese	45.85	46.15

NEW YORK CURB

	Close Nov. 21	Close Nov. 28	Close Dec. 5
Can. Marconi	10	22 1-4	9 1-8
Ford Canada	590	600	590
Imp. Oil Can.	92	93 1-4	90 1-8
Inter. Pete.	50 5-8	48 3-4	49 7-8
Int. Util. "A"	44 7-8	45 5-8	45
Int. Util. "B"	15 1-8	16 3-4	16 7-8
Nipissing	2 5-8	3 1-4	3 1-8
Noranda	56	69 3-4	58

NAME SUCCESSOR TO MARK BREDIN IN CANADA BREAD

A. A. Ryley, Winnipeg, New General of Baking Company

A. A. Ryley, formerly manager of the Western division of the Canada Bread Co., has been named as general manager of Canada Bread Co., succeeding Mark Bredin, president and general manager, who has resigned to buy the Harry Webb Baking Co., Toronto, and who will change its name to Bredin's Bread Co.

The new company will have a capitalization of $1,000,000 but there will be no public financing at present, it is stated. Mr. Bredin will have associated with him, Wilfrid Bredin, who has recently resigned as secretary of Canada Bread, and W. T. Bredin, who resigned some months ago as general manager. The new Bredin company will erect a modern plant in Toronto at Kendall Ave. and Davenport Rd. New plants will be constructed at the east and the west ends of Toronto, it is stated.

Pays Tribute to Mr. Bredin

Mr. Ryley, the new general manager of Canada Bread, has been with the company since its organization in 1911. He assumed his new duties on December 1, as did William Ancliffe, who succeeds Wilfrid Bredin as secretary.

Dr. J. H. McConnell, vice-president of Canada Bread, and chairman of the meeting, paid tribute to Mr. Bredin for the splendidly organized staff and machinery of operation he left behind. Mr. Ryley, the new general manager, arrived in the city yesterday, and will take up residence in the Alexandra Palace Apartments. He was spoken of by the chairman as a "most pleasing and efficient man," and one who already has the enthusiastic support of his staff. He has been with the company since its inception in 1911.

A company formed in Medicine Hat with 90 miles of river front for gold-dredging in the river is expected to start work as soon as its equipment arrives.

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Flood Barnes Active Bond Prices

	Price	Rate	Years to Maturity	Next Int. Date	Yield
Abitibi Power & Paper Gen. 5's, due '53	89¾	5	25	June 1	[illegible]
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7's due '47	96	7	19	Jan. 15	[illegible]
Alberta Pacific Grain 1st S.F. 6's due '46	102¼	6	18	June 1	[illegible]
Argentine Govt. 6's Series B due '58	100½	6	30	June 1	[illegible]
Asbestos Corp. 1st Ref. S.F. 6's due '41	101¾	6	13	Jan. 1	[illegible]
Asbestos Corp. Gen. Mtge. S.F. 6's due '56	94	6	28	Jan. 1	[illegible]
Bell Tel. of Canada 1st 5's Series B, due '57	103¾	5	29	June 1	[illegible]
Brazil, United States, Ext. S.F. 6½'s, due '57	96	6½	29	Apr. 1	[illegible]
Can. Cement Co. 1st Mtge. S.F. 5½'s due '47	102½	5½	19	May 1	[illegible]
Canada Power & Paper Coll. Trust 5½'s due '58	90¼	5½	30	Jan. 1	[illegible]
Canada Paper 1st S.F. 6's due '45	103	6	17	June 1	[illegible]
Can. Light & Power 1st S.F. 5's due '49	95½	5	21	Jan. 1	[illegible]
Canada S.S. Lines 6's 1st and Gen. Series A due '41	103	6	13	Apr. 15	[illegible]
Canada S.S. Lines Consol. 5's due '43	103½	5	15	Feb. 15	[illegible]
C.P. Rly. Coll. Trust 5's due '34	101	5	6	Apr. 15	[illegible]
C.P. Rly. Secured 4½% Notes due '44	98½	4½	16	Apr. 15	[illegible]
Can. Goodrich Income 7's due '43	68	7	15	[illegible]	[illegible]
Chile Repub. Ext. S.F. 6's due '60	94	6	32	Apr. 1	[illegible]
Columbia Repub. Ext. S.F. 6's due '61	91	6	33	Apr. 1	[illegible]
Dom. Iron & Steel Consol. S.F. 5's due '39 (£)	72	5	11	Mar. 1	[illegible]
Donnacona Paper Co. 1st S.F. 5½'s due '48	97½	5½	20	Feb. 1	[illegible]
Donnacona Paper Co. 6's Debentures due '48	98½	6	20	Feb. 1	[illegible]
Duke Price Power 1st S.F. 6's Series A, due '66	105½	6	38	May 1	[illegible]
Fraser Companies 1st S.F. 6's due '50	102	6	22	Jan. 1	[illegible]
Fraser Companies 6½'s Debentures due '42 (Cum. Stock Rights)	109	6½	14	Apr. 1	[illegible]
French Line Ext. S.F. 6½'s due '51	102	6½	23	Feb. 15	[illegible]
French Nat. Mail S.S. Line Ex. S.F. 6's due '52	100	6	24	May 1	[illegible]
General Steel Wares 1st S.F. 6's due '52	102	6	24	May 1	[illegible]
Gatineau Power 1st S.F. 5's due '56	98¼	5	28	June 1	[illegible]
Gatineau Power S.F. Debs. 6's due '41	101½	6	13	Dec. 15	[illegible]
Hydro Electric Bond & Share Corp. Coll. Trust S.F. 5's due '47	96½	5	19	May 1	[illegible]
Manitoba Power 1st S.F. 5½'s due '51	102½	5½	23	Jan. 1	[illegible]
Massey-Harris Co. 1st Mtge. 5's due '47	98	5	19	Apr. 15	[illegible]
Mtl. Coke & Mfg. 1st S.F. Series A 5½'s due '47	102	5½	19	June 1	[illegible]
Mtl. Light Heat & Power Cons. 1st Ref. & Coll. Trust 5's Series A, due '51	101¾	5	23	Apr. 1	[illegible]
Mtl. Tramways 1st Coll. Tr. 5's Series "A" due '41	100½	5	13	Jan. 1	[illegible]
Mtl. Tramways Gen. & Ref. 5's Series "A" due '55	99½	5	27	Apr. 1	[illegible]
Nova Scotia Steel & Coal 1st S.F. 5's due '59	75	5	21	Jan. 1	[illegible]
Northwestern Utilities 1st S.F. 7's due '38	104½	7	10	June 1	[illegible]
Port Alfred Pulp & Paper 1st S.F. 5½'s due '57	98	5½	19	May 1	[illegible]
Price Bros. 1st S.F. Series "A" due '43	106	6	15	Feb. 1	[illegible]
St. Law. Paper S.F. Debs. 6½'s, due '36	102	6½	8	June 1	Called
Southern Can. Power 1st 5's Series A, due '55	101½	5	27	Apr. 1	[illegible]
United Grain Growers 1st Mtge. 5's due '48	97	5	20	Jan. 1	[illegible]
United Securities Coll. Trust S.F. 5½'s Series A. due '52	102¼	5½	24	May 1	[illegible]
Wayagamack Pulp & Paper 1st S.F. 6s due '51	103½	6	23	Jan. 1	[illegible]
Winnipeg Electric Ref. 6's due '54	104½	6	26	Apr. 1	[illegible]

Listed Bond Quotations

Week Ending December 4

Montreal—	Int. Rate	Due	Yield	Ask	Latest Price Bid	High	Low	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Asbestos	5	1942	...	108⅝	.....	.....	.....	108	101	106	[illegible]
Asbestos, 1st mtge.	6	1941	5.88	100	98¼	.....	.....	102⅝	104¼	103	[illegible]
Asbestos, gen. mtge.	6	1956	6.59	91½	.....	.....	.....	98	88	99½	[illegible]
Can. Car	6	1939	5.04	.....	108	.....	.....	106	.....	108	[illegible]
Can. Cons. Rubber	6	1946	...	.....	104	.....	.....	103¼	102½	103⅝	[illegible]
Can. Cottons	5	1940	...	99½	.....	.....	.....	100½	97	99½	[illegible]
Can. Forgings	6	1942	...	.....	.....	.....	.....	97½	97	98	[illegible]
Can. Locomotive	6	1951	6.14	.....	.....	.....	.....	100	99	100	[illegible]
Can. Pr. & Pr., deb.	5½	1958	6.20	90	88¼	90½	89	.....	.....	94	[illegible]
Can. S.S., deb.	5	1943	6.57	.....	.....	.....	.....	97½	.....	102¼	[illegible]
Cedar Rapids	5	1953	...	.....	102	.....	.....	101⅛	96⅝	105⅝	[illegible]
Dom. Canners	6	1940	5.53	.....	104	.....	.....	.....	.....	104	[illegible]
Dom. Coal	5	1940	5.22	98⅛	98	98	.....	94⅝	90	99⅝	[illegible]
Dom. Iron	5	1929	8.45	.....	.....	.....	.....	94	72½	102	[illegible]
Mex. Elec.	5	1942	8.88	78¼	70	.....	.....	71½	60	78½	[illegible]
Mex. L. H. & Pr.	5	1940	9.17	80	.....	.....	.....	80½	68⅝	87½	[illegible]
Mont. L. H. & Pr.	4½	1932	5.34	.....	.....	.....	.....	97¼	.....	97	[illegible]
Mont. Tr. 1st. mtge.	5	1941	5.02	99½	99	99⅞	99	103½	98⅛	103¼	[illegible]
Mont. Tr. "A"	5	1955	5.06	99¼	98½	99	98	100	94	103	[illegible]
Mont. G. & R. S. F. "B"	5	1955	5.13	99¼	98¼	98	.....	97	94⅝	103	[illegible]
Nat. Brew.	6	1939	...	.....	.....	.....	.....	105	.....	106	[illegible]
N. S. Steel	5	1959	7.08	.....	.....	74	.....	70	64¼	77	[illegible]
Ogilvie Flour "A"	6	1932	5.48	.....	102	102	.....	105	104½	103½	[illegible]
Do., "B"	6	1932	...	.....	102	.....	.....	104½	103⅝	108	[illegible]
Do., "C"	6	1932	...	.....	102	.....	.....	105	104	104	[illegible]
Ont. Steel	6	1943	5.60	.....	104	.....	.....	103	102	104	[illegible]
Porto R. Rly.	5	1936	...	.....	.....	.....	.....	92⅝	90	91½	[illegible]
Que. Rly.	5	1939	4.47	.....	.....	104½	.....	101½	96	104⅝	[illegible]
Steel of Can.	6	1940	5.20	107	.....	.....	.....	107½	106¼	108	[illegible]
Wabasso	6	1947	...	.....	101	.....	.....	103½	100⅝	103½	[illegible]
Wayagamack	6	1951	5.76	.....	.....	103	.....	104	97½	103¾	[illegible]
West. K. Power	6	1940	...	.....	.....	.....	.....	105	.....	107	[illegible]
Winn. Elec.	5	1935	...	.....	.....	.....	.....	104⅝	99	105½	[illegible]
Toronto—											
Canada Bread	6	1941	5.09	108¾	108	108	107¾	107½	105	108¼	[illegible]
Can. Canners	6	1950	5.83	.....	102	.....	.....	102	98½	102½	[illegible]
Dom. Canners	6	1940	...	.....	.....	.....	.....	.....	.....	104	[illegible]
Porto R. Rly.	5	1936	...	.....	92	.....	.....	93⅝	93⅝	92½	[illegible]
Postal Tele.	5	.....	...	.....	94½	.....	.....	.....	.....	95⅝	[illegible]
Steel of Can.	6	1940	...	.....	107½	.....	.....	107½	106⅝	108	[illegible]

Dominion Govt. Bonds, Montreal—	Int. Rate	Du.	Yield	Ask	Bid	High	Low	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
War Loan	5	1931	4.70	100.65	100.30	100.40	100.30	102.70	100.85	[illegible]	[illegible]
Do.	5	1937	4.50	103.60	102.90	102.95	102.85	106.95	103.05	[illegible]	[illegible]
Victory Loan	5½	1933	4.93	102.75	102.35	102.70	102.20	106.55	103.85	[illegible]	[illegible]
Do.	5½	1934	4.97	102.55	102.40	102.75	102.25	105.55	102.80	[illegible]	[illegible]
Do.	5½	1937	4.60	106.10	106.00	106.40	105.70	111.15	106.85	[illegible]	[illegible]
Do., Refund	4½	1940	4.53	99.15	98.75	98.75	98.55	102.45	96.50	[illegible]	[illegible]
Do., Refund	5	1943	4.64	102.60	101.90	102.60	101.70	106.10	102.30	[illegible]	[illegible]
Do., Refund	4½	1944	4.50	100.15	99.65	99.95	99.50	102.75	96.60	[illegible]	[illegible]
Do., Refund	4½	1946	4.50	100.15	99.50	100.00	99.30	102.70	96.15	[illegible]	[illegible]
Do., Renewal	5½	1932	4.95	103.20	101.60	102.00	101.40	104.40	102.10	[illegible]	[illegible]

McKinnon Steel Plant Bought by McSweeney

From Our Own Correspondent

MONTREAL.—J. L. McSweeney, president of The Equitable Securities Corporation, Montreal and Toronto, announces that he has purchased on behalf of himself and associates, the McKinnon Steel Company, of Sherbrooke. Associated with Mr. McSweeney in this enterprise are: D. H. McDougall, Hon. [illegible]; George W. Mitchell, K.C.; J. B. Woodyatt; John Irwin; J. T. McCall, and George D. MacKinnon.

The McKinnon Steel Company, which has been owned and operated as a family concern for the past twenty years, specializes in the manufacturing of steel frames for buildings, steel bridges and steel tanks. The new interests that have acquired the company intend making extensive additions to plant and equipment immediately, to take care of the increased business which their associations will assure the company. The Equitable Securities Corporation will make an offering of securities shortly in connection with the deal through the medium of a convertible preferred stock, with a bonus of common that will give the public an opportunity of participating in the future growth of the company.

The Dominion Sugar Company reports a record run at the Chatham factory this year. The two factories at Chatham and Wallaceburg [illegible] the beets testing around 16 per cent.

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BUSINESS SHOWS ADVANCING TREND EXCEPT ONTARIO

West, Maritimes and Quebec Are Showing Improvement

In planning for production or sales for the coming year, a measure of business activity of the last two years in the several economic areas should be of considerable assistance. If a firm confines its operations to one economic area it will be beside the point to base the forecast of next year's business on a composite index for the whole Dominion. It is of interest if operations are extended over two or more areas to know the sections which are showing the greatest progress.

How Index Is Found

The index of business activity by economic areas is constructed from seven prominent factors commonly quoted as of significance in measuring the trend of business. By averaging the monthly indexes for the first ten months of 1928 and 1927 the relative rates of growth are determined for the five economic areas. According to this procedure, business recorded greater gains in the Prairie Provinces than in any of the other areas. The largest grain crop in the history of the three provinces as well as the mining and power developments in Manitoba, account for the prosperous conditions prevailing in the Prairie Provinces during the present year. The increase in the monthly average of the index for the Prairie Provinces compared with 1927 was more than 16 per cent.

Maritime Provinces

The transformation in regard to the handling of their valuable forest resources and the steps taken to carry out the recommendations of the Duncan report have brought more prosperous conditions to the Maritime Provinces during 1928. The lumber industry of the area had suffered through the competition of shipments of Western coast lumber through the Panama Canal, and until recently the Maritime Provinces have not shared in the prosperity which was fairly general throughout the other sections of the Dominion. Steps are now being taken to develop a pulp and paper industry which it is hoped will take the place of the lumber industry which has failed to respond to the stimulus of better conditions in domestic or external markets. The index which was greatly affected by the construction of the Mersey River pulp and paper plant in Nova Scotia, averaged 121 in 1928, compared with 106 in 1927, an increase of 14 per cent. Even if the construction factor is eliminated, the index for the Maritime provinces shows that the volume of business has expanded at a substantial rate during the last four years.

Rouyn Opening is Help

Owing to the magnitude of the operations involved, the increase in business activity in the Province of Quebec was the outstanding feature of the year. The average index in the ten months of 1928 was 126, compared with 110 in 1927, an increase of more than 14 per cent. The opening of the Rouyn mining district has given an impetus to business in Quebec. The pronounced rise in the index, however, reflects rapid progress in many lines, especially in water power development. The generation of electricity in October last was 722,000,000 kilowatt hours compared with 614,000,000 in October, 1927. The total output in the Dominion during October last was 1,436,000,000 kilowatt hours, indicating that more than one half the Dominion total was produced in Quebec. The monthly average of industrial employment during the first ten months of 1928 was 115.1, compared with 109.5 in 1927, indicating a very satisfactory gain in a factor which is not subject to wide fluctuations. Reflecting in part the remarkable volume of speculative trading, bank debits showed a gain of 29 per cent. in the first ten months of 1928, a percentage gain which was only exceeded in the Prairie Provinces in the same comparison. These features are quoted as examples of the progress which was fairly general throughout the field of trade and industry.

Recession Since July

Expressed in terms of the monthly average of 1926, the index of business activity in Ontario during the elapsed period of 1928 was 118.4 compared with 106.9 in 1927, an increase of nearly 11 per cent. During the first half of the present year a rapid advance was apparent, while after July there was shown moderate recession. Construction contracts awarded in Ontario during the first ten months of 1928 were more than 28 per cent. greater than in 1927 and building permits were five per cent. greater. Sales of life insurance, a financial factor of considerable significance, in the elapsed period of 1928 were $183,500,000, an increase of nearly 16 per cent. over 1927. It is by such comparisons that a clear conception of the progress in the chief industrial areas of the Dominion may be obtained rather than by qualitative statements no matter how graphic the terms.

The average index for British Columbia showed in 1928 an increase of 12.5 per cent. Though a large part of this increase was due to a heavy construction program which lasted during the first half of the year, the upward trend above the level of 1927 has been in evidence during recent months.

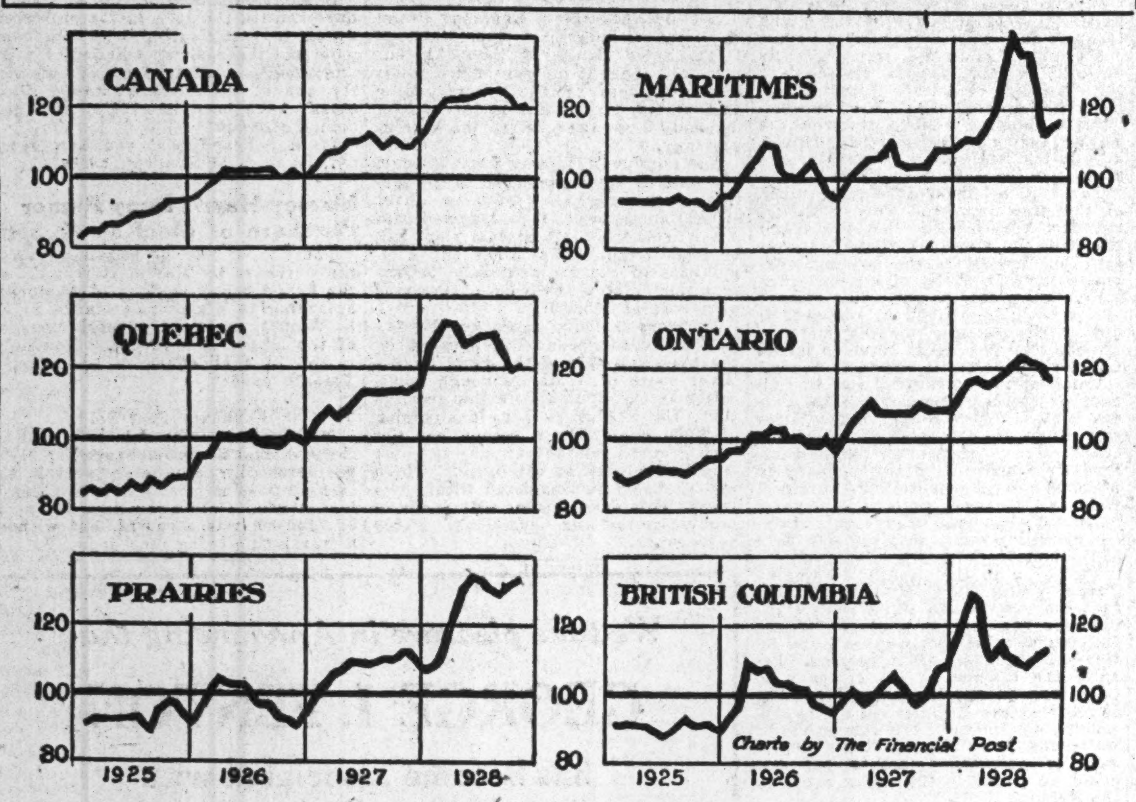
Referring particularly to the indexes of October compared with the preceding month, it will be noted that increases were shown in the Dominion as a whole and in each of the economic areas with the exception of Ontario. In Ontario increases were shown in building permits, bank debits and sales of insurance, and after adjustment for seasonal tendencies employment was maintained at the level of the preceding month.

Maritime Provinces Situation

Five factors relating to the Maritime Provinces out of the seven used in this connection showed gains, construction contracts and the output of electricity alone showing recession. Construction contracts showed a decline in Quebec, and the situation in regard to commercial failures was less favorable. The remaining factors were on the right side of the ledger, the index for the month showing an increase of more than one per cent.

Large increases in building permits and in the sales of life insurance raised the index for the Prairie Provinces 1.5 per cent. A slight increase was also shown in the output of electricity, the remaining factors showing a decline. The building industry of British Columbia obtained a very small volume of new business in October, and failures were more numerous. Increases were shown in employment, output of electricity, bank debits and sales of insurance, resulting in a gain in the general index for the province.

Prairie Provinces Brightest Spot in Business



Business operations were at a higher level during October than in the preceding month in the Dominion as a whole and in four of the five economic areas, Ontario being the only area to show a decline. In the Prairie Provinces the level of business activity was higher than at any other time during the period of observation. The movement of the bumper wheat crop and the power and mining development of Manitoba contributed to the prosperous conditions of the area. Speaking of general conditions, the gain in employment was one of the constructive developments at the first of November.

In 1927 some 9,777 grazing leases were issued by the Dominion Government, covering an area of approximately 6,607,183 acres of public lands on which over 500,000 head of cattle, sheep and horses were pastured. These are all in Western Canada.

United Amusement Is Planning Large Growth

From Our Own Correspondent

MONTREAL.—At the annual meeting of the shareholders of the United Amusement Corporation, Ernest A. Cousins, the president, announced that the company would construct four or five new theatres during 1929 and that three of the properties for these new theatres had already been purchased. At the moment, the company has three new theatres under construction. In all, therefore, eight new theatres will be added to the company's chain which now comprises twelve Montreal theatres with a seating capacity of 14,400.

The growing interest in sheep raising among the farmers of Quebec is leading to the establishment of many new flocks.

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The securities of the Cities Service Company possess in a marked degree the qualities which experts agree are necessary for a sound investment—security of principal, excellent income and ready marketability.

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(with artillery wheels)

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CHRISTMAS morning will be happier in hundreds of Canadian homes because of a tiny velvet box which contains the Keys to Happiness—the *keys* to a beautiful new Studebaker or Erskine car!

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The Erskine	$1095 to $1325
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The Commander	1960 to 2135
The President Eight . . .	2225 to 3280

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Without placing me under any obligation, send literature describing the Wellington Building issue of United First Mortgage Bonds.

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Fanny Farmer Sales Growing

Gross sales of Fanny Farmer Candy Shops for the fiscal year ending December 31 are expected to be $3,850,000, or about $125,000 greater than last year. December is the biggest month in the candy business and trade in the first few days has been remarkably good, according to information from an official source.

Fanny Farmer sales in November totaled $337,582, compared with $318,413 in November of last year, an increase of $19,168. Sales for the eleven months ending November 30 totaled $3,220,922 compared with $3,180,199 in the corresponding period of last year, an increase of $40,722.

Laura Secord Sales High

November sales for Laura Secord Candy Shops totaled $173,077, compared with $153,204 in November of last year, an increase of $19,873. Sales for the two months of the current fiscal year total $352,931, compared with $322,603 in the corresponding period of last year, an increase of $30,328.

CONTINUE FINANCING OF FAMOUS PLAYERS

$1,000,000 of Series B 20-Year Bonds Offered

Famous Players Canadian Corporation have issued an additional $1,000,000 of first mortgage bonds, series B, which follows the issue placed on the market on April 1 of this year. The present program of financing will enable the company to further extend its chain of moving picture theatres which already covers Canada. The company operated and controlled 123 theatres in April, 1928, with a seating capacity of 139,261 and figures at the end of November, 1928, have increased to 152 theatres with a seating capacity of 163,121.

The company is the largest owner and operator of motion picture theatres in Canada, and has valuable franchises which give it the first run in Canada of films made and produced by the Paramount Famous Lasky Corporation of New York.

$1,000,000
Famous Players Canadian Corporation, Ltd.
6% First Mortgage Bonds, Series "B"
December 6, 1928. April 1, 1948

Capitalization:	Authorized	Issued
First Mortgage Sinking Fund Gold Bonds, due 1948	$10,000,000	$5,000,000* 1,000,000†
6½% gold debentures, due 1948	3,000,000	3,000,000
Common capital stock, n.p.v. shares	600,000	320,000

*Series A.
†Series B.

Business: Motion picture theatres. Operates 152 theatres in Canada.

Assets: Properties specifically mortgaged or covered by floating charge equivalent to $1,720 per $1,000 bond, and does not include value of franchises, contracts and leasehold.

Earnings: Available for bond interest for year ending August 25, 1928, were three times annual interest requirements of all first mortgage bonds now outstanding.

Sinking Fund: Annual, cumulative sinking fund for redemption of first mortgage bonds of a sum equal to 2 per cent of all bonds issued plus interest on bonds redeemed, commencing April 1, 1929.

Issued: On December 6, 1928, by Royal Securities Corp., Toronto, in denominations of $1,000 and $500 at 101 and accrued interest to yield 5.9 per cent.

Mt. Royal Dairy Stores Finance for Expansion

Mount Royal Dairy Stores, Inc., has issued 12,500 shares of class A stock of no par value through Williamson, Plow & Sykes, Ltd., Toronto. The issue will be used for the extension of the chain of dairy stores operated by the company.

Details of the issue follow:

12,500 Shares
Mount Royal Dairy Stores, Incorporated
No Par Value Class A Stock

Capitalization—	Authorized	Issued
Class A shares, n.p.v.	15,000	12,500
Class B shares, n.p.v.	30,000	26,070

No funded debt or preferred stock.

Class A shares are fully paid, non-assessable and entitled to preferential, non-cumulative dividends at rate of $2 per share per annum. Any further dividends to be declared will be divided equally between class A and B until total dividend payment of A shares shall have reached a maximum of $3 in any one year. Non-voting and redeemable at 30 days notice at $25 per share plus any declared, but unpaid dividend.

Business—Organized under laws of Quebec to acquire and hold securities of dairy store companies in Canada, and to develop a chain in Montreal.

Properties—Quebec Dairies, Ltd., Montreal, and a chain of 10 dairy stores in that city.

Purpose—To provide additional working capital for expansion.

Earnings—Sales for year ended December 1, 1927, were $1,544,651. Estimated future net earnings $50,000 per year, of $4 per share on class A stock.

Offered—December, 1928, by Williamson, Plow & Sykes, Ltd., Toronto, at $18 per share of Class A carrying bonus of one-half share class B stock free.

DIVIDEND NUMBER 183

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1% on the outstanding Capital Stock of the Company has been declared payable on the 31st day of December, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 12th day of December, 1928.

Dated the 5th day of December, 1928.

I. McIVOR,
Assistant-Treasurer.

The Ontario Loan and Debenture Co.

166th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 per cent. for the current Quarter ending 31st December, 1928 (being at the rate of 12 per cent. per annum), has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 2nd January, 1929, to Shareholders of record of the 15th December, 1928.

By Order of the Board.

T. H. MAIN, Manager.
London, Canada, 5th Dec., 1928.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

SOUTHERN CANADA POWER COMPANY
LIMITDE

Preferred Dividend No. 36

A DIVIDEND of one and one-half per cent (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending December 31st 1928, payable January 15th, 1929, to shareholders of record December 20th, 1928.

By order of the Board,

L. C. HASKELL,
Secretary.

Montreal, November 23rd, 1928.

Brandram-Henderson Listing Incorrect

From Our Own Correspondent

MONTREAL. — From authoritative sources, The Financial Post learns that the management of Brandram-Henderson has no intention at present of listing the preferred and common shares of the company. Some weeks ago news reports emanating from Toronto indicated that application would soon be made to list the securities of the company in Montreal. As heretofore, the shares will continue to change hands only between brokers.

Roofing Company Might Enter Canadian Field

From Our Own Correspondent

MONTREAL.—It is rumored that the Certainteed Roofing Company of the United States is to enter the Canadian field. As Certainteed is one of the larger roofing companies of its kind operating in the United States, it is possible that such a development might have an adverse affect on the operations of some of the Canadian roofing companies.

Tooke Bros. Earnings at Last Year's Level

From Our Own Correspondent

MONTREAL.—The Financial Post learns that the earnings of Tooke Bros., Limited, to date are virtually the same as at the end of the first five months of the last fiscal year. Since the reorganization of the company's capital structure dividends have been paid on the preferred stock. Tooke Bros. are the largest manufacturers in Canada, distributing direct to the retail trade, of fine shirts, collars and neckwear. The company's products are widely advertised and are well known throughout the country.

There is not an active market for the stock, either preferred or common, which is listed on the Montreal Exchange.

Can. Asbestos Company to Make Public Offering

From Our Own Correspondent

MONTREAL.—The management of the Canadian Asbestos Company is expected to make an issue of stock early in January, 1929. It is thought that the offering will be in the form of preferred stock with a bonus of common.

The Canadian Asbestos Company was incorporated in 1897. It is principally engaged in developing the asbestos business in Canada, while it is also expanding its export trade. The company, in addition to supplying its lines of Canasco products, represents several well-known firms.

Canadian Asbestos has been operating under a new management for some time now, and it is understood that business has expanded. The company is at present a closed corporation, none of the stock being in the hands of the public.

Join H. R. Bain & Co.

H. R. Bain & Co., investment-bankers, Toronto, announce that Joseph L. Armstrong and Donald T. MacKinnon have become associated with their firm.

Mr. Armstrong, who has been identified with the banking business in Eastern Canada for a number of years, was latterly with the investment house of J. M. Robinson & Sons.

Mr. MacKinnon, was formerly associated with the investment banking house of Backus Fordon & Co., Detroit, Mich.

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For full information, write to E. M. Corkett, Town Clerk, Brampton, Ontario

Calgary Gas Has Plans for Conservation of Gas

Serious plans to conserve large surpluses of natural gas presently going to waste in the Turner Valley oil field, southwest of Calgary, were recently outlined by C. J. Yorath, president of the Canadian Western Natural Gas, Heat, Light and Power Co.. The company is planning to pipe gas from the Turner Valley to the Bow Island field, now a depleted source of supply, and store it in the wells in that area.

These plans involve relaying much of the pipe line from Turner Valley, and Mr. Yorath feels that the result would be the storage at Bow Island of four or five times the present estimated content there of six or seven billion cubic feet of gas. This storage would be accomplished at odd periods during the summer months and the accumulated gas would serve to insure Calgary's supplies in any emergency.

Consumption of natural gas in Calgary is steadily increasing, Mr. Yorath stated, and the requirements for this winter are estimated at five billion cubic feet. Depletion of the Bow Island field had caused the company to undertake development of the Foremost field and in seven wells drilled there since 1923 the open flow totals sixty-three million cubic feet per day with 650 pounds rock pressure.

Referring to the rapidly developing Turner Valley field, Mr. Yorath stated that the new Okalta No. 1 well is apparently the largest producer of gas (32,000,000 cubic feet per day) and its flow appeared to be increasing. Besides the attempt of his company to take care of surplus natural gas, he stated that the Royalite Oil Co. is also seeking a solution of the Turner Valley waste gas problem by sinking a special well to ascertain whether the gas could be stored in the upper sands in the field.

Commercial Finance Wins in Raynor Case

Decision has been handed down by Chief Justice Meredith in favor of the Commercial Finance Corporation against the Western Assurance Company and the Merchants' Casualty Company.

About eighteen months ago, it was discovered that R. H. Raynor, of Belleville had converted a large number of cars and the proceeds had been lost. Raynor is now in prison. Commercial Finance discounted the insured notes.

Commercial Finance Corporation is said to have enjoyed a prosperous year.

Lamontagne Limited Goes Into Liquidation

From Our Own Correspondent

MONTREAL.—Lamontagne Limited, manufacturers of harness and leather goods for the past 60 years in Montreal, has gone into liquidation. A meeting of the bondholders was held on December 3, and the business will be carried on till January 8 when another meeting will be held to determine what action will be taken. The interest on the bonds, of which there are $450,000 outstanding, was not paid last June. A proposal was put before the bondholders in October whereby the maturity of the bonds was to be extended for another twenty years. This plan was not approved and the present situation has resulted.

Smelters Power Subsidiary Still Continues Its Growth

From Our Own Correspondent

MONTREAL.—West Kootenay Power & Light Company, a subsidiary of Consolidated Mining & Smelting, has produced about 10 per cent. more power this year than in the corresponding 1927 period, largely due to the heavier demand for power from the parent company.

The number 3 plant at South Slocum will add 60,000 horsepower to production, increasing the total to about 160,000 horsepower. It is expected that power from the South Slocum plant will be made available to mines and communities of Slocum next fall. A distributing system will be constructed at a cost of $45,000.

Progress is being made on the $4,000,000 hydro-electric development on the Canadian side of the Pend Oreille River south of Trail. Although application to the British Columbia government for license to permit diversion of 6,000 cubic feet a second has not been granted yet the company is going ahead with work on the project, which will probably be completed within two years. This development will result in production of an additional 80,000 horsepower.

Steel of Canada Stock Split Ratified

Shareholders of Steel Co. of Canada have ratified the split in the preferred, which is participating with the common, and the common stock. The split, announced some weeks ago, is four new for one of the present shares. Both stocks have been in receipt of 7 per cent. dividends.

It is believed that the new stock will go on a $1 dividend basis.

Massey-Harris Deny Rumor Purchase of MacKay & Sons

There have been no negotiations for the purchase by Massey-Harris Co. of the firm MacKay & Sons of Australia, according to a statement made by C. L. Wisner, assistant general manager of the Massey-Harris Co., following a rumor to that effect in one of the Toronto papers.

Exchange Seat Sold

MONTREAL.—The sale of a seat on the Montreal Stock Exchange for $170,000 establishes another new high, the last transaction having been at $150,000 last month. Only a few days ago a bid of $160,000 was reported, but without a transaction being recorded.

We take pleasure in Announcing that

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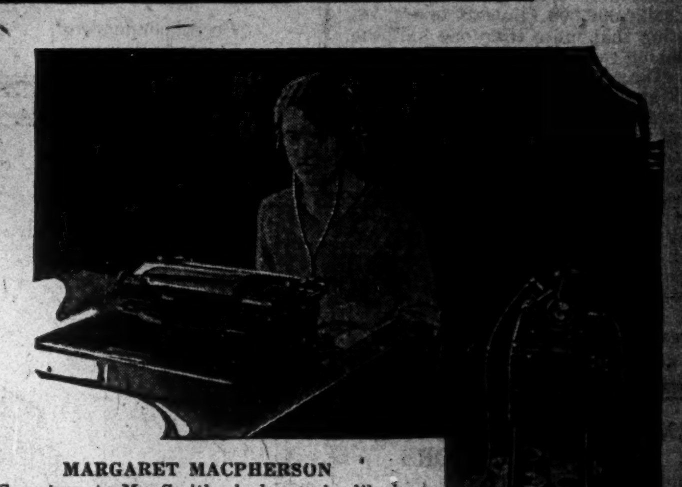
Managing Director of the Parker Fountain Pen Company, Limited, Toronto, one of the largest fountain pen businesses in Canada, is directed and managed by the modern Dictaphone system.



MARGARET MACPHERSON
Secretary to Mr. Smith, declares she likes the Dictaphone System so well that she can't understand why any girl continues to depend on stenography. She gives credit to The Dictaphone for her greater value as a Secretary, and for a substantial increase in earning capacity.

An Invaluable addition to my desk

"Being hard pressed with work and getting 'way behind with it was quite the regular thing with me," says Victor A. Smith, Managing Director of the Parker Fountain Pen Company, Limited.

"The Canadian business is handled entirely from the office in Toronto where the factory is located for domestic and export trade.

"Getting things done on time was a serious problem. Working at night didn't solve it. Nor did employing the swiftest and most efficient stenographers available. My work seemed always piling up ahead of me no matter how hard I tried to keep up with it.

"I simply had to find *some* way out. I tried the Dictaphone system. It reduced the pressure immediately, and practically did away with the necessity for overtime work. Best of all, it relieved me of the constant thought that I must rush . . . rush . . . rush.

"Then we added more Dictaphones — for the use of all the department managers and none of us now would go back to shorthand under any consideration. The modern Dictaphone system is certainly considerably ahead of the old method.

"When I go on business trips I have no more worries about office affairs. It's a simple matter to give full instructions by Dictaphone before leaving and all *trip matters* in each city are attended to on the spot by using the Hotel Service of The Dictaphone, which is a very great convenience, and on my return to the office only current matters need attention."

* * * *

"Go back to shorthand? Not a chance," says Miss MacPherson. "It is much easier to be swift and accurate by Dictaphone. And there is less strain on one's nerves. That's probably the reason why I am a more efficient secretary now than when I was just a stenographer. It's a great comfort, too, to be able to finish the day's work on time. But most important of all is the way it helps a girl to earn more than she can by sticking to shorthand exclusively."

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T. R. Crayston, General Manager

[ ] I want to read what leading executives or secretaries say about increasing their ability with The Dictaphone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?" and "Shorthand Plus."

[ ] I am a Secretary [ ] Executive
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[ ] Please notify your nearest office to let me try a New Model 10 without obligation.

8-9

BRANCHES FROM COAST TO COAST—SERVICE EVERYWHERE

Public Opinion is Now Favorable to Companies

If They Are Regulated by Publicity or in Some Suitable Way They Serve Useful Purpose

By J. P. DAY,
Associate Professor of Economics of McGill University, in address before Young People's Forum, Montreal

It is significantly remarkable how public opinion has changed in the last generation on the question of the social value of combines. Not so long ago it was quite the general opinion that trusts and combines were inimical to the public interest, that they were attempts at cornering a market and exploiting the consumers, anti-social in action and intent, not far removed from a sort of modern piracy. Popular feeling and government action were against their development and some countries tried to make such combines illegal.

To-day, opinion has swung in quite the opposite direction; combines are no longer unpopular or unwelcome, and, at least in two cases, a government—the German government—has forced combination on a partially unwilling industry. It is worth while considering why this rapid change of opinion has taken place.

Anarchical Conditions

Consider the system of competitive individual enterprise of small concerns: Let us suppose some circumstances indicate a real increase in the demand for the product. An increased supply is required, but there is no control over the increase of output. Each concern, seeing an opportunity to increase its business, goes ahead according to the judgment of its own directors and without any reference to competing concerns, with the almost inevitable result that the increase of output is too great, a slump in market prices follows, and the weaker and less efficient concerns fail and collapse. Their withdrawal adjust the supply to the new demand and the industry regains a temporary equilibrium.

Now, this process can be viewed as a beneficial periodical weeding-out of the less efficient concerns, and so long as the average unit size of the concerns is small, no very great harm is done by a few failures now and again. But it is a very different matter when the unit size is extremely large. In some industries, of which the heavy iron and steel is a good example, the unit size is very large, and the collapse of a single concern means the loss of some tens of millions of invested capital, the throwing out of work of thousands of men, and a general disorganization of the market. A system of production which postulates the periodical collapse of concerns of this size can no longer be viewed with complacency. The anarchical conditions of competitive production have to be replaced by some organized control.

Some of the earliest combines were those in the iron and steel industry. When we remember that the majority of technical improvements in industry have tended to increase the unit size of enterprises, we can appreciate one factor which has worked toward the growth of combines.

Another factor has been the result of experience educating the directors of great combines. Many of these started out with the idea of limiting output in order to force a higher price, but experience has taught them that the keys of success are not restriction and high prices, but rather a policy of large consumption and large output. The experience of Germany and the United States, no less than that of England and France, has been that combines can be neither successful nor lasting unless they are progressive. Combines which aim at economies of production, larger output, and lower prices are obviously much less objectionable than those which choose the unprogressive policy of restricted output and higher price, and therefore the earlier combines were unpopular and unwelcome, whereas the modern progressive combines are not.

Economies Due to Combination

There are some particular advantages, leading to economies of production, which can only, or more easily be obtained by an amalgamation of interests. Standardization of products is one. Systematic advertising is another. The Girders Combine (Comptoir des Poutrelles) in France spent large sums in educating architects and builders with regard to the uses and resisting power of the new materials available in building construction. No single firm could have done all this with profit to themselves. The heavy chemical industry is especially driven to combination for this purpose. Many of their products need wide advertisement and explanation and even, as in the case of a new fertilizer like calcium cyananide, experimental demonstration, before a large market can be obtained for them. Users of acetylene gas had to be instructed in the necessary measures for security. This educational work cannot be done profitably except by the industry as a whole and usually will not be done on any adequate scale unless the industry has been organized in some form of combine or cartel.

Another consideration is that some of the stupendous undertakings of today involve contracts so huge that only a combine could undertake them.

Rationalization of Industry

In addition to the above advantages, a combine is in a position to deal more economically with the whole question of supply and demand; it can close down obsolete and wasteful factories and concentrate the work in the better equipped and more efficient ones; it can organize its markets so as to minimize transport charges and the services of middlemen. It can exert a stabilizing and regularizing action which will keep supply and demand in an economic equilibrium, not driving the industry always as fast as it will go, but slowing down for corners and obstacles; and it can adhere to a uniform price to all purchasers since it has no longer the need to try and capture large orders by special terms. All such large scale endeavors of a combine to introduce methods of technique and organization which will ensure the minimum waste of either effort or material, which include the scientific organization of labor, the standardization of both materials and products, the simplification of processes, and improvements in the system of transport and marketing, are now known under the one term of rationalization. It is by rationalization of her big industries that Germany has made such a wonderful recovery and indeed, in that country, there are indications of a tendency to change from voluntary to compulsory combines.

Let me read to you what the World Economic Conference at Geneva, 1927, had to say on rationalization:

"The conference considers that one of the principal means of increasing output, improving conditions of labor and reducing costs of production is to be found in the rational organization of production and distribution.

"The conference considers that such rationalisation aims simultaneously:

"(1) At securing the maximum efficiency of labor with the minimum of effort;

"(2) At facilitating by a reduction in the variety of patterns (where such variety offers no obvious advantage) the design, manufacture, use and replacement of standardized parts;

"(3) At avoiding waste of raw material and power;

"(4) At simplifying the distribution of goods;

"(5) At avoiding in distribution unnecessary transport, burdensome financial charges and the useless interposition of middlemen.

"Its judicious and constant application is calculated to secure:

"(1) To the community, greater stability and a higher standard in the conditions of life;

"(2) To the consumer, lower prices and goods more carefully adapted to general requirements.

"(3) To the various classes of producers, higher and steadier remuneration to be equitably distributed among them.

"It must be applied with the care which is necessary in order, while at the same time continuing the process of rationalization, not to injure the legitimate interests of the workers, and suitable measures should be provided for cases where, during the first stage of its realization, it may result in loss of employment or more arduous work."

Dangers of Combines

Now that we have seen the advantages of combines, what about their disadvantages and dangers? It has been said that a progressive concentration and a closeness of understanding may lead the employers to attain the position of a homogeneous and all-powerful oligarchy before which all other subject social forces must give way and that they may use this power, at the expense of the workers, to reduce wages, to fight trade unionism, and to cut down employment, or at the expense of the consumers to restrict output and raise prices. It is idle to deny that such evil developments are possible, but it is worth while, in passing, to say this: the directors of a small competitive concern are usually anxious to make as much profit as possible for themselves and for those associated with them. High profits are their reward both in money and as a badge of success. But the directors of a great national or even international combine seem to me to move toward a different standpoint. They and their chief officials are usually sufficiently well-paid for their work, so that their main interests tend to be not in making the industry show ever larger profits for the thousands of shareholders whom they never see or know, but in keeping their industry in the soundest and most efficient working order. Their motive is to do big things rather than earn big profits. Their pride is in the prestige of the concern and they have no reason to be more solicitous for the shareholders than for the workers. They aim at treating both fairly but without unnecessary generosity, and are at any time prepared to sacrifice the interests of either for the good of the concern itself. The profit-seeking motive is weakened; it is power, control, and efficient and successful service in which they are chiefly interested. However that may be, monopoly power is too great to trust entirely to the wisdom of the holders.

Publicity as a Safeguard

How then can the state control combines so as to prevent the evil developments of exploitation of workers or consumers? The first essential is publicity and its legal enforcement: public knowledge of the associated undertakings, of the nature of the bonds between them, the ends they pursue, and the means they avowedly use, will in some measure prevent them from engaging in guilty or injurious actions. As Hilton has said: "Enlightened public opinion may be a powerful help in preventing abuses. Greater publicity would serve three useful purposes. By making known the profits of business concerns, it would stimulate the flow of enterprise and capital into industries in which the demand was greater than the supply; by bringing the operation and effects of combination into the light, it would relieve many unfounded or exaggerated suspicions on the part of the public; and by ensuring that extortion should be publicly pilloried, it would do much to prevent its being practised."

Avoiding Unlawful Agreements

Several countries have acts which demand such information, and this gets over the very real difficulty of defining unlawful agreements. Any combine which has filed its declaration is assumed to be legal; any association not complying with this formality would be considered unlawful. For example, the Australian Act of 1910 for the repression of destructive monopolies establishes against all trusts a presumption of guilt which must be disproved by the trust or its members. But section fifteen of the act authorizes a voluntary declaration which reverses the presumption. If a party to a contract, or a member of a combination makes a declaration to the attorney-general truly and fully stating the conditions and provisions of the contract or the aims and conditions of the agreement and publishes this in the Commonwealth Government Gazette, he is deemed not to have intended to contravene the law. Norway has perhaps gone further in this matter of compulsory publicity than any other country, demanding information not only as to the structure and aims of the combine, but also on the main features of its methods.

Investigation As a Check

But something more than publicity is required. Although registered combines are presumed to be beneficial and benevolent, they may fall into bad practices. To deal with such cases, a supervising authority of a judicial character investigating allegations of unfair trading is needed. Its jurisdiction is that of equity corrected by expert knowledge. In the United States such a body is the Federal Trade Commission set up in 1914 and costing, by the way, a million dollars a year to run.

What have we in Canada? In the first place, section 408 of the Criminal Code dealing with conspiracies in restraint of trade defines the following offences: to limit transportation facilities, to restrain commerce, to lessen manufacturing, and to lessen competition.

The really important act in this respect is, however, the Combines Investigation Act of 1923, repealing earlier acts of 1919 and 1910, the only definite Combines Act existing in the British Empire. Under this act, any six British residents in Canada of full age (21 years) may make an application for an investigation of a combine believed to be operating or to be about to operate to the detriment or against the interests of the public, whether consumers, producers, or others. This wisely vague phrase gives the act a sufficiently wide scope. The application, supported by evidence, is sent to the registrar who, unless he reports to the minister lack of justification, proceeds to hold an inquiry. The minister's decision as to whether an inquiry should be held is final. The registrar has all the necessary powers for investigation which, however, is not public unless the minister so orders. But the report is published, within fifteen days, unless the minister refuses. Penalties are provided for persons who are parties or privy to, or knowingly assist in the formation or operation of a combine found to be acting illegally. For persons a fine not exceeding $10.000 or two years' imprisonment; for corporations a fine not exceeding $25,000.

Real Economic Value

Combines have a real economic value to the community: they are also a step on the road toward that greater rationalization of industry which, already forced on countries struggling with industrial adversities, may become advisable or necessary for all. As to the peculiar abuses to which combines lend themselves, much has already been done by enforced publicity, judicial investigation, and legal penalties to prevent or correct such, and if the existing safeguards prove inadequate they can be strengthened in the light of experience.

N.Y. MAGAZINE REVIEWS STATUS OF IMPERIAL OIL

Bright Future of Canada Great Factor in Investment

The Financial World, an investment magazine published in New York, devoted two pages of a recent issue to a highly favorable review of Imperial Oil of Canada, classifying it as perhaps the most important of the subsidiaries of Standard Oil of New Jersey. The Financial Post would emphasize to a greater extent than is done in this article, the fact that Imperial Oil owns more than a majority of the stock of International Petroleum and that the parent company received in dividends from International Petroleum this year somewhat more than $3,000,000.

In other particulars, the article summarizes comprehensively, the position of Imperial Oil, as well as directs the attention of its readers, who are mainly residents of the United States, to the prosperity of this country and the investment opportunities that exist on this side of the boundary. The article follows, in part:

Before entering upon any description of this company or attempting to outline its position and prospects, it will be well to state at the outset that a statistical analysis of its financial condition and earning power, and forecasts based thereon, are impossible owing to the fact that the company does not publish financial statements or operating statistics. Consequently any judgment or opinion must be based upon more general considerations not susceptible to definite evaluation in terms of dollars and cents, and must be accepted as a rather broad generalization which can only be vindicated over the long range future of a number of years.

Status of the Industry

With this in mind we shall have something to say of the company itself—its history, growth, physical properties, management, etc.—of the status of the industry and its relation thereto, and of the general character and prospects of the territory which it serves. From such a general description of the enterprise and its environment we shall get a picture of its future potentialities.

Imperial Oil, Limited, is the present title, adopted September 15, 1919, of a company which was incorporated under the laws of the Dominion of Canada, September 8, 1880, as the Imperial Oil Company, Limited. It has always been the leading oil unit in Canada, and since the dissolution of the Standard Oil monopoly in 1911 has been one of the most important if not the most important subsidiary of Standard Oil of New Jersey. It is a well known fact that Canada has been a rapidly growing country during the present century, and it is sufficient for the present to point out that Imperial Oil has kept pace with its territory and is now reported to be handling between 70 and 75 per cent. of the Dominion's petroleum business. It is engaged in all branches of the industry, although its principal production is derived from South America through its subsidiaries, International Petroleum Company, Limited, and Tropical Oil Company. Refineries are strategically located in Canada at Sarnia, Ontario; Montreal; Halifax; Regina, Saskatchewan; Calgary, Alberta; and Vancouver There is in addition International's 6,000 barrel refinery at Talara, Peru, which brings the combined charging capacity to about 53,000 barrels of crude daily. Other Canadian properties consist of more than 1,550 marketing stations, over 250 bulk gasoline distributing stations, 1,500 owned and 500 leased tank cars, 14 modern tank steamers, together with other floating equipment and 4 new steamers under construction, pipe lines of unstated mileage, and 87,550 acres of land in Alberta, Northwest Territory and Saskatchewan.

Simplified Capital Structure

The company's capital structure consists of 6,575,582 shares of no par value capital stock outstanding, out of an authorization of 8,000,000 shares. There are no bonds or preferred stock. The original authorization was $1,000,000 of $100 par value shares, and there have been numerous transitions by means of split-ups, stock dividends and rights, leading up to the present status. In this connection we shall point out a most significant indication of the remarkable record of growth and prosperity of the company. A purchase of 100 shares at $125 in 1914 if held to the present with all rights exercised and all stock dividends retained would represent a total investment in the company of about $38,500, which would now be represented by nearly 5,000 shares having a market value of about $450,000, in addition to cash dividends totaling over $45,000 which would have been received in the interim.

Approximately 72 per cent. of the outstanding stock is held by Standard Oil of New Jersey, which insures management of the highest type available in the industry, and which will be an important factor in future progress as it has been in past prosperity.

Emerging from Depression

The oil industry generally is now in the recovery period following the worst depression in its recent history, and the majority of companies—especially those engaged in refining and marketing—are reporting sharply increasing earnings. The outlook for the coming year is for greater and more firmly established stability and more satisfactory profit margins. It is hoped, and not without reason, that the progress of the industry in 1929 will approach in its general aspect the results which have been achieved by the copper industry during the current year. Under such conditions substantial progress by Imperial Oil can reasonably be anticipated.

In addition to the favorable conditions in the company itself and the upward trend of the industry, there is the additional impetus of a dominant marketing position in a rapidly developing country. Canada is still essentially a new country of unexploited potentialities, and is probably entering upon the greatest period of growth of her history. Her great strength and promise lie in the wealth of her natural resources, which have been hardly more than scratched as yet. Up to the present her development has been along a comparatively narrow strip of territory just north of the United States, which has been gradually extended east and west. The development of the vast hinterland to the north is just beginning, and its future can be adequately foretold by no one.

To sum up, Imperial represents by far the major and dominant interest in the industry in a rapidly growing and prosperous country. The industry is facing well defined prospects for greater stability and better profit margins, and Imperial enjoys sound and constructive management. Undoubtedly the long range prospects for the company are favorable. The stock at current levels of about 90 affords a small yield, only 1.7 per cent. at the present annual dividend rate of $1 regular and 50 cents extra, but it is quite possible that more liberal disbursements will be made during the coming year. We believe that for those who wish to share in the increasing prosperity of Canada, Imperial offers an opportunity for establishing a sound long term position.

ROBT. MITCHELL JUNIOR DIVIDEND NOT PAID SOON

Company Needs Earnings for Expansion; Gets Hotel Contract

Current issue of the Investor, house organ of McLeod, Young, Weir & Co., denies rumors that an early dividend is in prospect for common of Robert Mitchell Co. It is explained that the increasing business demands the use of earnings for expansion.

Two per cent. or $10,000, par value of the first preferred stock has been called for redemption as of February 1, 1929, at 107½. The call does not extinguish the conversion right. The first preferred is convertible into common on the basis of three common for one preferred.

Gets Halifax Contract

At present the company has outstanding $500,000 of first preferred, $100,000 of second preferred and 25,000 shares of no-par common. The first preferred was offered to the public last March at par with a bonus of one-half share of common. The common is now being traded around 37, an appreciation of about 30 per cent. for purchasers of the preferred at the issue price.

The company recently obtained the contract for the plumbing, heating, ventilating and architectural iron and bronze work for the Canadian National station and hotel at Halifax.

Strong Brewery Group Dominant in Maritimes

From Our Own Correspondent

MONTREAL. — The acquisition of Ready's Beverages by a group closely associated with Oland's, Limited, in Saint John, is believed to be the possible forerunner of the formation of a brewing merger in the Maritimes which will entail public financing.

Oland's, with plants in Saint John and Halifax, have long been the major brewing enterprises in the Maritimes and the acquisition of Ready's Beverages at Saint John by an associated group indicates possibly the formation of a strong brewing organization which will dominate the Maritime market.

Besco's Coal Output Falls Off Fractionally

From Our Own Correspondent

MONTREAL.—The total coal output of the British Empire Steel Corporation's collieries for November showed a decline as compared with both October of this year and November of a year ago. The total output for last month was 474,684 tons as compared with 539,412 tons in October and 477,441 tons in November of last year. The output of the collieries would have been larger but for a boiler explosion which closed one of the larger producers of the Dominion Coal Company for a week during the month.

UNITED STATES REALTY AND IMPROVEMENT COMPANY
GEORGE A. FULLER COMPANY AND SUBSIDIARY COMPANIES

Executive Offices: 111 Broadway, New York City

THE GEORGE A. FULLER COMPANY is one of the largest and most successful building organizations in America. More than One Billion Dollars of building contracts have been successfully executed by this Company, within twenty-five years. By reason of their large and varied experience, the executives constitute a pre-eminent authority on the improvement of real estate.

Moreover, the large volume of this Company's business, together with its strong financial standing and valuable connections, gives it the power to purchase on the most advantageous terms. These facts, together with the suggestion that it is prepared to assist in the financing of sound building construction contracts, make it advisable for those contemplating the improvement of real estate to call upon this organization.

The officials of the Company suggest that *the present* is an exceedingly propitious time to carry through the improvement of real estate. The near future, it is believed, will bear witness to the correctness of this advice.

CONDENSED CONSOLIDATED BALANCE SHEET

United States Realty and Improvement Company, George A. Fuller Company and Subsidiary Companies

As at October 31, 1928

ASSETS	
Cash and Government securities	$ 4,460,580.82
Bills Receivable	366,597.76
Accounts Receivable, including amounts due on Building Contracts	2,131,901.24
Building Plant, Equipment, Materials, Hotel Plaza Furnishings, etc.	2,428,088.31
Deferred Charges, Unexpired Insurance, etc.	642,339.70
Mortgages Receivable, Securities of and Advances to Controlled or Affiliated Companies and Investments in Other Stocks and Bonds, at cost	20,605,430.23
Real Estate and Buildings: (All at cost) Trinity Building, U.S. Realty Building, Whitehall Building, Hotel Plaza, New York City, Lawyers Building, Boston and unimproved real estate	45,306,207.67
Leasehold and Improvements	578,924.73
	$76,520,070.46

LIABILITIES	
Accounts Payable	$ 960,104.32
Preferred Stock Dividend (Geo. A. Fuller Co. of Canada, Ltd.)	11,250.00
Taxes and Interest Accrued	1,298,628.18
Total Current Liabilities	$ 2,269,982.50
Advance Payments on Contracts and Rents and Deferred Credits	1,016,293.07
Mortgages on Companies' Real Estate	17,445,000.00
Outstanding Stock of Subsidiary Companies:	
George A. Fuller Co. of Canada, Ltd., 6% Cumulative Guaranteed and Participating Preferred Stock	750,000.00
George A. Fuller Company: $6.00 Cumulative and Participating Prior Preferred Stock without par value—45,000 shares	4,500,000.00
$6.00 Cumulative and Participating Preference Stock without par value —36,500 shares	3,650,000.00
Interest of Minority Stockholders in Plaza Operating Company with respect to Capital and Surplus	1,439,961.64
Capital Stock: Authorized—1,000,000 Shares No Par Value; Issued 733,102 Shares	29,324,128.00
Reserves	5,376,238.10
Surplus	10,748,467.15
	$76,520,070.46

DIRECTORS

HARRY S. BLACK, *Chairman of the Board*
EDWARD J. BERWIND, *President, the Berwind-White Coal Mining Co.*
HARRY BRONNER, *Blair & Co., Inc.*
LOU R. CRANDALL, *President, George A. Fuller Company*
GEORGE A. FULLER, *111 Broadway, New York*
A. L. HUMES, *Messrs. Humes, Buck & Smith*
CHARLES E. MITCHELL, *President, The National City Bank of New York.*
HENRY S. PRITCHETT, *President, Carnegie Foundation for the Advancement of Teaching*
PERCY A. ROCKEFELLER, *25 Broadway, New York*
JOHN D. RYAN, *Chairman, Anaconda Copper Mining Co.*
W. E. REIS, *Pynchon & Co.*
JOSEPH E. WIDENER, *Land Title Building, Philadelphia, Pa.*

GEORGE A. FULLER COMPANY:—

Executive Offices
Flatiron Building
New York City

Chicago
Marquette Building

Philadelphia
Morris Building

Boston
Lawyers Building

Washington
Munsey Building

GEORGE A. FULLER COMPANY OF CANADA, LTD.

Canada Cement Building
Montreal, Canada

Metropolitan Building
Toronto, Canada

Automobile Industry

INCREASE SHOWN IN AUTO OUTPUT DURING NOVEMBER

Year's Progress to Date Augurs Record Year

Durant Motors of Canada shipped over 600 cars during November, an increase of 28 per cent. over production in November, 1927. While shipments showed a material decrease from those of October 1928, when 749 cars were shipped, it is understood that all of the old models have been sold and that production of new models will not start until December 15, following completion of plant inventory which is at present under way. Officials of the company state that approximately 15,000 cars have been produced and sold during 1928 which constitutes an increase of from 35 to 40 per cent. over production figures for last year. The Durant company will continue to market both fours and sixes.

Graham-Paige Motors Corp. output of cars for November totalled 2,793 cars, an increase of 33 per cent. over November 1927, according to a recent announcement of the company. Production for the first eleven months of 1928 totalled 73,194 cars as compared with 20,860 for the same period in 1927, an increase of 250.9 per cent. Shipments to dealers for the year to November 30 were 73,363 as against 21,548 in the same period in 1927.

Packard shipments to dealers increased for 1928 to the end of November by 37 per cent. over those of 1927 for the same period and shipments made during November alone totalled 4,600 against 4,372 for November, 1927. Shipments for November show a decrease, however, from the total of 5,802 shipped in October.

Shipments to dealers made by Hupp Motor Car Corp. totalled 3,114 for November, a decrease from shipments in the same month of 1927 when 5,075 cars were sent out, and which were the first shipments of the new models. The Hupp company reports an increase in shipments for 1928 to the end of November with 64,235 cars shipped in 1928 and 57,397 in 1927 for the same period.

Canada Biscuit Earnings Increase

Canada Biscuit Co. earnings are reported to have shown an increase in the last four-week period for which figures are available, compared with the corresponding period of last year. This increase is said to have been evident even after greater allowances were made for depreciation than was formerly the custom.

MOTORS TO START PRODUCTION IN WEST

New Assembly Plant Has Yearly Capacity of 20,000

General Motors of Canada will start manufacture in Regina, Sask., on December 11 with the opening of the new assembly plant which has a production capacity of 20,000 cars a year. Eastern officials of the company have left for the West to be present at the opening and it is expected that president R. S. McLaughlin will drive the first car off of the assembly line.

The plant which will assemble Chevrolet and Pontiac models will take care of the demand for these cars throughout the Western provinces which have in the past taken about 40 per cent. of General Motor's Canadian production.

The new factory which is rapidly nearing completion is 800 feet by 400 feet in size and cost over one and a half million dollars. A three story office building has been built in connection with the plant on 38 acres of land purchased from the city of Regina. The plant will employ up to 800 men.

Hupp Motor Corp. Acquires Chandler-Cleveland Group

Acquisition of control of the Chandler-Cleveland Motors Corp. by the Hupp Motor Car Corp. was completed on November 30, forming an organization with assets of approximately $130,000,000 according to recent stock market values. No announcement has been made as to what use will be made of the Cleveland plant formerly owned by the Chandler-Cleveland group and which represents an investment of $10,000,000.

New Duesenberg Models On Display in New York

Four new Duesenberg models embodying a number of new features are now on display in New York. The models, which include a sport phaeton, roadster, five passenger sedan and all weather cabriolet, are powered with a motor of 265 h.p. of the straight eight type. The standard open model with top and windshield is said to have been driven at 116 miles an hour and the same car has been driven 89 miles per hour in second speed.

Toronto Stock Exchange to Increase Floor Space

Expansion of trading facilities of the Toronto Stock Exchange which has been the subject of special study by a committee of the exchange will be undertaken early in 1929.

It is expected that alterations which will provide one-half more floor space than is at present available will be completed in about six months.

TORONTO OFFICE N. Y. BROKER

J. R. Timmins & Co., members of the New York and Montreal stock exchanges, will open a Toronto office on the second floor of the National Building, Bay Street. V. J. McCabe will be the Toronto manager.

BANK OF MONTREAL

Annual Statement

Statement of the result of the business of the Bank for the year ended 31st October, 1928.

Balance of Profit and Loss Account, 31st October, 1927		$ 154,799.31
Profits for the year ended 31st October, 1928, after deducting charges of management, and making full provision for all bad and doubtful debts		5,847,327.36
		$6,002,126.67
Quarterly Dividend 3 per cent. paid 1st March, 1928	$897,501.00	
Quarterly Dividend 3 per cent. paid 1st June, 1928	897,501.00	
Quarterly Dividend 3 per cent. paid 1st Sept., 1928	897,501.00	
Quarterly Dividend 3 per cent. payable 1st Dec. 1928	897,501.00	
Bonus 2 per cent. payable 1st Dec., 1928	598,334.00	
	$4,188,338.00	
Provision for Taxes Dominion Government	400,000.00	
Reservation for Bank Premises	700,000.00	
		5,288,338.00
Balance of Profit and Loss carried forward		$ 713,788.67

CHARLES B. GORDON, President. FREDERICK WILLIAMS-TAYLOR, General Manager

GENERAL STATEMENT

31st October, 1928

LIABILITIES

Capital Stock		$29,916,700.00
Rest	$30,916,700.00	
Balance of Profits carried forward	713,788.67	
	$31,630,488.67	
Unclaimed Dividends	[illegible]	
Quarterly Dividend, payable 1st Dec., 1928	897,501.00	
Bonus of 2% payable 1st Dec., 1928	598,334.00	
		33,139,154.74
		$ 63,055,854.74
Notes of the Bank in circulation	$ 46,967,574.00	
Deposits not bearing interest	149,779,430.83	
Deposits bearing interest, including interest accrued to date of statement	571,685,581.53	
Advances under the Finance Act	15,000,000.00	
Balances due to the Dominion Government	[illegible]	
Balances due to other Banks in Canada	[illegible]	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	9,394,770.39	
Bills Payable	305,305.80	
		795,762,062.73
Letters of Credit outstanding		13,125,226.62
Liabilities not included in the foregoing		1,839,379.53
		$873,782,523.62

ASSETS

Gold and Subsidiary coin current	$ 33,595,262.[illegible]	
Dominion notes	60,391,802.25	
Deposit in the Central Gold Reserves	25,000,000.00	
Deposits made with and Balances due from other Banks in Canada	4,323.96	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	14,120,539.85	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other securities of a sufficient marketable value to cover	39,147,086.08	
Call and Short (not exceeding thirty days) Loans in Great Britain and United States, on Bonds, Debentures and Stocks and other securities of a sufficient marketable value to cover	138,965,168.92	
	192,237,118.81	
Dominion and Provincial Government Securities not exceeding market value	79,704,087.20	
Railway and other Bonds, Debentures and Stocks not exceeding market value	3,693,024.06	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value	26,054,892.93	
Notes of other Banks	4,091,698.00	
United States and other foreign currencies	921,683.26	
Cheques on other Banks	48,205,713.11	
		$473,898,282.56
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$308,752,388.68	
Loans to Cities, Towns, Municipalities and School Districts	22,416,665.58	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	35,496,446.64	
Non-current Loans, estimated loss provided for	2,012,919.78	
		368,678,420.68
Bank Premises at not more than cost (less amounts written off)		16,800,000.00
Real Estate other than Bank Premises		[illegible]
Mortgages on Real Estate sold by the Bank		1,117,449.97
Liabilities of Customers under Letters of Credit (as per Contra)		13,125,226.62
Deposit with the Minister for the purposes of the Circulation Fund		1,407,093.53
Shares of and Loans to controlled companies		3,013,002.22
Other Assets not included in the foregoing		456,072.74
		$873,782,523.62

NOTE:—The business of the Bank in Paris, France and in San Francisco, U.S.A. is carried on under the name of local incorporated companies, and the figures are incorporated in the above General Statement.

NOTE:—Bonds of the Merchants Realty Corporation to the extent of $2,103,000.00 secured on premises leased to the Bank, are in the hands of the public. These bonds do not appear in the above Statement as the Bank is not directly liable thereon.

CHARLES B. GORDON, President. FREDERICK WILLIAMS-TAYLOR, General Manager

TO THE SHAREHOLDERS OF THE BANK OF MONTREAL.

We have compared the above Statement with the Books and Accounts of the Bank of Montreal at the Head Office, and with the certified Branch Returns. We have checked the cash and verified the securities and investments held at the Head Office, and at several of the principal Branches of the Bank at the end of the financial year. We have likewise, at various dates throughout the year checked the cash and verified the securities at several important Branches.

We have to report that (a) we have obtained all the information and explanations we have required; (b) subject to the judgment to be rendered in a suit taken by John Hamilton, Bosworth Limited and Jeffrey Hale's Hospital, of the City of Quebec, which is now pending, in which the bank is claimed to be liable for a payment of $500,000 paid and debited by the Bank under the terms of the Molsons Bank... [illegible] ... the Royal Victoria Maternity, the Royal Victoria Hospital, the Montreal General Hospital, Montreal Joint Campaign Fund, is challenged, in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank, and (c) in our opinion, the above Statement discloses the true condition of the Bank, as shown by the books of the Bank.

JAMES HUTCHISON, C.A. of the firm of Riddell, Stead, Graham & Hutchison
CHARLES A. HODGSON, C.A. of the firm of Creak, Cushing & Hodgson. Auditors

MONTREAL 23rd Nov., 1928.

BANK OF MONTREAL

Annual General Meeting Held 3rd December, 1928

The 111th Annual General Meeting of the Shareholders of the Bank of Montreal was held in the Board Room at the Bank's Headquarters.

On motion of Maj.-Gen. The Hon. S. C. Mewburn, C.M.G., Sir Charles Gordon, G.B.E., was requested to take the chair.

The Hon. Henry Cockshutt moved, seconded by Mr. H. E. Rawlings, that Lt.-Col. G. L. Ogilvie and Sir William Stavert, K.B.E., be appointed to act as scrutineers, and that Mr. C. H. Cronyn be the secretary of the meeting. This was carried unanimously.

The President's Address

Before moving the adoption of the Report, it is customary for the President to make a few remarks.

My first word is personal. Immediately following the Annual Meeting a year ago, your Directors decided to make a change in the Board whereby the position of Chairman of the Board was created and an additional Vice-President appointed. An Executive Committee was also created, consisting of the Chairman, the President and the two Vice-Presidents. By this arrangement I succeeded Sir Vincent Meredith as President of the Bank. I desire to thank the Directors for the unanimous and valuable support and advice which they have given me during my first year in office, especially the members of the Executive Committee, who have given much time and thought to the affairs of the Bank.

Aided by the knowledge and experience of the General Manager, Sir Frederick Williams-Taylor, and after a careful review by your Directors, a number of changes have been made which we believe will promote a forward movement in the activities of the Bank.

I cannot refrain at this point from expressing my deep regret, a regret which I am sure every one of you shares, at the absence, through ill-health, of Sir Vincent Meredith, who has for so long guided the affairs of this institution with such eminent success, and who, for the past ten years, has presided at these Annual Meetings.

The vacancy on the Board caused by the death of Mr. C. R. Hosmer was filled by the election of Mr. W. A. Black, a gentleman of wide business experience, whose intimate acquaintance with western conditions makes him a valuable colleague.

Continued Improvement in Business

The statement of the year's operations shows that we have fully participated in the general prosperity. Our funds have found full employment, in particular during the past eight months, due to the continued improvement in trade and industry, to the reaping of another bountiful harvest in the prairie provinces and the generally prosperous state of agriculture in other provinces, and also to the higher rates for call money in New York. On this latter point I shall have a few more words to say presently.

While agricultural, commercial and industrial activities have been carried on during the year in greater volume than ever before, it cannot be said that the banks have felt any great strain from these sources. Here, as in the United States, many companies have carried over from the war period large reserve profits which now serve as working capital, and others have issued securities which, being absorbed by the public, have left them independent of the banks. An even more important factor, perhaps, is that the turnover in wholesale and retail business is now much more rapid and that therefore the banks are not called upon to finance such relatively large stocks as formerly. This change was inaugurated under pressure of necessity following the post-war depression, but the principal reason for its continuance is the extraordinary improvement in transportation facilities, permitting of a more rapid replenishment of stocks. While automobile traffic has had its part in this change, I think the public hardly realizes how much of it is due to the increased efficiency of our railways. Collection, carriage and delivery of freight have been speeded up to a remarkable degree, and whereas, a few years ago, the movement of freight was at best a slow process, to-day, by means of better service, fast freight schedules, better connections with branch lines and improved equipment, the time in transit has been reduced to a minimum. In this movement our Canadian roads have been in the van and the results they have achieved can truly be described as remarkable. In this and other ways the railways have contributed to the general prosperity, and as the welfare of our transportation interests exercises a profound influence on the economic situation of the Dominion, it is satisfactory to note that they have shared in the general prosperity, the volume of traffic and gross earnings setting up new records. The rapidity of the grain movement this year has been remarkable, inspections during the month of October, totalling 89,281 cars, an increase of 24,720 cars over the corresponding month of last year, and by the end of October, that is to say, within practically two months of harvesting, 250,000,000 bushels of wheat had been moved from the farms to elevators and terminals. This immense traffic was made possible by the extension, equipment and efficient operation of the railways and by sufficient elevator accommodation at interior as well as terminal points.

Other classes of commodities have also enlarged the freight movement, particularly pulpwood, paper and other forest products; ore, general merchandise and miscellaneous goods. Total car-loadings for the first ten months of this year were 3,001,000, or 250,000 cars in excess of 1927. Due to this heavy traffic, the Canadian Pacific Railway reported an increase in gross earnings for October of $5,821,000, and the Canadian National Railway an increase of $5,367,000.

The Widening Basis of Production

Reviewing the business situation in Canada, one cannot but remark how rapidly the basic sources of our national wealth are widening. The concurrence of a wide variety of raw material with water powers on a truly gigantic scale gives Canada extraordinary opportunities for all-round development, and the fact that these opportunities are now being realized is resulting in the establishment of primary enterprises involving large investments of capital and contributing in marked degree to the general activity.

The foreign trade of the Dominion has this year, for the first time, been larger in value than that of 1921, when prices were at the peak, and in quantity far exceeds any previous year, amounting in the seven months ending October 31st to $1,512,549,000. There is a fairly close parity between imports and exports, the latter having an excess of $35,024,000. Agricultural and animal products continue to constitute the major part of exports, these having a value of $459,385,000 in the seven months, or nearly 60 per cent. of the whole. Since the sharp decline in prices when the post-war boom collapsed in 1921, the monetary value of Canada's foreign trade has risen no less than 70 per cent.

It is a matter for regret that over-production, with consequent competition and price-cutting, has checked the abounding prosperity of the news-print industry, but there is no occasion for surprise at a situation which always arises when supply outruns demand. While the field has been too rapidly occupied, the industry is firmly established, and its permanence is assured. Adjustment to the rather acute condition brought about by excessive producing capacity may be expected, together with a cessation of the construction of new mills until consumption overtakes supply.

Mineral output is an increasingly large item in Canada's commerce, both domestic and foreign. It is in the baser metals that development has been most active and permanence is more assured. World consumption of nickel, copper and zinc, to which consumption Canada is making an important contribution, now exceeds the pre-war figure. To the world's nickel market Canada sent 85% of the supply, and the proven deposits are so immense as to ensure this supremacy indefinitely. The output of coal in Nova Scotia has been larger than in recent years. Efforts to find a market in Ontario for Alberta coal by means of freight concessions have not been successful. It seems certain, however, that the mining industry of Canada is destined to make an increasingly important contribution to the national wealth.

The motor industry has reached large proportions. In the first nine months of this year 168,871 passenger cars and 32,819 trucks were turned out by Canadian factories, an increase of 35,687 cars and 4,420 trucks over last year. Whatever may have been the views of economists some years ago as to a possible saturation point, it appears necessary to revise them now in the light of the present demand.

Building construction goes on uninterruptedly. Contracts amounting to $379,000,000 were awarded in the first nine months of this year and building permits amounting to $166,000,000 were issued, an increase of $24,000,000 over the corresponding period last year. These figures imply large employment of labour, as well as activity in the fabrication and sale of builders' supplies.

Immigration and Industrial Development

The number of immigrants entering the country continues to be disappointingly small and newcomers have only slightly increased over last year, the number this year in the first eight months being 134,000 as compared with 129,000. One cannot help, however, being impressed with the opportunities for immigrants after having seen the vast tracts of territory in our north-west provinces, including the Peace River district. Our Government needs to offer no apologies in inviting agricultural immigrants to come to this country, as no other country in the world can hold out greater opportunities than our western provinces. It seems to be the unanimous opinion that the one thing Canada needs at present is people. In order, however, to attract families and their friends, it is necessary to provide, in addition to agricultural opportunities, diversified employment. This is necessary not only in the interests of immigration, but also in the interests of the rising generation of Canadians, many of whom have no intention of going on the land, and if we are to hold this great asset in this country, we must encourage the efforts to provide industrial and other opportunities here.

If we could be sure of even 350,000 increase in population per annum, which should easily be attained by a moderate immigration and the holding of our natural increase, every three years we would have over a million people added to the population of Canada. This is surely not a very ambitious programme, but it is a programme which, if we could be sure of its being carried out, would give great hopes for the future of that very important problem, the populating of our country.

Great Britain, with a Free Trade Government, has found it necessary to modify its views, and after seeking for a formula, has hit upon one which it has euphoniously described as the "safeguarding of industry," by means of which it expects to give employment to its own people. Perhaps our Government, with the approval of the people of Canada, may also discover a formula which will produce more diversified employment than we have at present, and thus attract a greater number of immigrants and also prevent emigration.

Some fears have been expressed that the recent election of a new President in the United States might have detrimental effects upon our agricultural interests in the West. As Canada is by far the best customer which the United States possesses, it seems hardly likely that the latter country will do anything which will adversely affect the best market it has, especially in view of the fact that one of the announced policies of the new President is the extension of markets abroad.

Business Situation Abroad

Her steadily expanding international interest make Canada ever more intimately concerned with world affairs. I think it not too much to say that in Europe conditions are more settled than at any time since the war. All important currencies are stabilized, and most countries are experiencing improved trade.

Great Britain is still faced with the solution of her unemployment problems, for which the continued depression in basic industries, namely, coal, iron and steel, cotton and wool, is mainly responsible. Nevertheless, thanks to the vast income derived from invisible exports, a favorable total trade balance was disclosed for 1927, and the visible adverse balance at this date is nearly £35,000,000 lower than a year ago. This fact shows that the economic situation of the country has improved materially, and it is largely to what are known as the newer industries, electrical machinery and apparatus, artificial silk, et cetera, that this improvement is due. Internal trade is more active, production is expanding, the standard of living is maintained, and there is no doubt that the prosperity of Great Britain is advancing.

In the United States general conditions are definitely more favorable than at this time last year. It appears certain that 1928 will be set down in business annals as a year of well sustained and profitable activity in trade and the basic industries, and the election of Mr. Hoover has created the belief that economic conditions will not be disturbed.

The high money rate in New York is probably due in part to the usual heavy demand from normal sources, namely, agriculture and commerce, but more especially to the Stock Exchange, where a greatly increased volume of shares is being traded in day by day as compared with a year ago, and at much higher prices, coupled with the fact that demand deposits of the weekly reporting member banks of the Federal Reserve System are lower by some $360,000,000. Most of this amount, however, has found its way into Wall Street through individual and corporation loanings. In this connection, it may be noted that the average daily volume of transactions on the New York Stock Exchange rose from 270,000 shares in 1913 to 1,900,000 shares in 1927, while in the past two weeks the average has been over 5,500,000 shares per day. There seems to be a somewhat wide-spread idea that Canadian banks have transferred large amounts of money to New York for employment in call loans. That notion is wholly erroneous. The policy of the Bank of Montreal, and I may say I believe this applies to all Canadian banks, has long been to carry in New York a substantial proportion of ready reserves or quick assets. No funds, however, are ever transferred to New York or London to be loaned on call until every legitimate need of our own country has been carefully examined and, if at all possible, complied with. Our loans in New York have been less than they were a year ago.

Safety and security have always been the cardinal principles of your Bank.

Rampant speculation on the Stock Exchanges, which has persisted over a considerable period, with wide ramifications, is a matter of concern to bankers. I need not tell you that the rise in prices cannot go on forever and that there is a well defined limit to bank loans on stocks. My hope is that reaction may not be sudden or severe.

During my first year as President, I have had an opportunity of visiting the branches of the Bank in Mexico, and while conditions there are not all that one would wish, I am satisfied that there has been, during recent months, a decided change for the better, and that at an early date plans will be completed for the rehabilitation of the finances of Mexico. These plans are in the hands of capable people, bankers of standing, and are being carried forward in such a way that when they are put into effect, Mexico should be able to live up to the obligations which these will entail.

I also visited the branches of the Bank in London and Paris, and branches in the Western Provinces. This gave me an opportunity of meeting many of our most important managers and others, and it gives me great pleasure to inform the shareholders that the Bank of Montreal has a high type of men representing it. I am confident that we are well equipped to take full advantage of the expansion which is sure to come in the next few years.

In connection with the acquisition of the Merchants Bank of Canada, we took over a subsidiary company, The Merchants Realty Corporation, Limited, formed for the purpose of carrying a portion of the business premises of that bank. There are outstanding bonds of this Company to the extent of $3,280,000, and it is our intention to retire these bonds at their callable figure, 105, increasing the Bank Premises Account in our balance sheet by $3,000,000, and providing the balance of the amount necessary to retire the bonds from the proceeds of properties which have been sold. As the result of this action, the entire premises of the bank will be represented by the figure appearing in our balance sheet, and no properties of the bank will be held by subsidiary companies, with the exception of our New York premises, which stand in our balance sheet at the sum of $1.

As I have already said, an Executive Committee of the Board was created after the annual meeting a year ago. We propose to increase this Committee to five and will ask you to enact a by-law for the remuneration of the Executive Committee.

Increase in Authorized Capital

The expansion of Canadian commerce and industry has been rapid, and all signs point to a continuance of this progress. For upwards of a century, the Bank of Montreal has held a foremost place and played an important part in the forward movement, and it was decided by your Board, following upon the return of five of its members from a trip to the Prairie Provinces and British Columbia in September last, to recommend to you at the annual meeting of the Bank an increase in the authorized capital from $31,175,000 to $50,000,000. A resolution will be brought before you to-day to enact a by-law for this purpose.

The General Manager's Address

Mr. Chairman and Gentlemen:

In presenting the balance sheet of your Bank for the one hundred and eleventh fiscal year just closed. I am glad to say that results have been highly satisfactory.

Our net profits are well in advance of those of any post-war year; owing, first, to highly prosperous conditions in Canada, resulting in increased demands for loans to be used in productive enterprise, with comparative freedom from losses; and, second, to higher rates of interest obtained upon that portion of our funds carried as quickly available assets in New York and London, our reserve centres outside of this country.

This result is highly gratifying, especially when it is remembered that there has been no general increase in interest rates to our Canadian borrowers. Merchants, manufacturers and farmers have received their money at practically the same rates as before. Borrowers against Stock Exchange and other securities—the form of loan most subject to fluctuation in rates—have been accorded terms which, while higher, have been materially below those in the United States, though financial conditions there necessarily have an important bearing on short-term money rates in this country.

At the close of our Bank-year total assets stood at $873,700,000, being an increase over the previous year of $42,000,000. Of this amount $473,800,000, or 59.55% of the total, was liquid; that is, cash, balances with other banks, or securities of a readily realized nature, this indicating that whilst there has been an increased demand for loans for commercial and other purposes, the customary strong position of the Bank has been maintained. Commercial loans and discounts in Canada stand at $308,700,000, an increase of $53,000,000 from a year ago, whilst our call and short loans in Canada are up some $10,000,000. Total deposits at $721,000,000 are higher by $21,000,000 than a year ago. Deposits bearing interest have increased in the year by $32,500,000, and now stand at $571,600,000. I mention this as a particularly gratifying feature, indicating uninterrupted confidence in this Bank by the general public as depositors in our Savings Department. Notes of the Bank in circulation are $46,900,000, or $1,200,000 in excess of last year.

Our offices in Great Britain, France and the United States continue to increase in importance, both to your Bank and to the widespread business interests of the Dominion.

Monetary Situation Abroad

In Great Britain a year ago the £ sterling stood at a substantial premium over the American dollar. The reverse is now the case. The Bank of England has lost gold, but its reserve is materially higher than a year ago. By effective control of the credit situation, the Bank has retained a 4½% minimum, and has kept market rates sufficiently attractive to prevent the diversion of unduly large balances for employment elsewhere; a remarkable achievement at a time when high rates in New York are sending borrowers to London for fresh capital. London has held its pre-eminence as a financial centre and acceptance market, and for the first time in years Canada has secured important capital in London. The satisfactory terms obtained show that the market is available to Canadian borrowers having undoubted credentials. Three of our Provinces have recently borrowed substantial sums in London, and you will be glad to know that your Bank has been the medium through which the London market was reopened to Canadian Government borrowings after a lapse of fourteen years.

In the United States the banking situation is sound. While money rates are high, funds are in plentiful supply for commercial and other legitimate purposes. The steady demand for speculative purposes is reflected in the average call loan rate for the year—5.42%, against 4.19% for the year ended 31st October, 1927. Action by the Federal Reserve authorities in raising their rates of discount was tantamount to a declaration that the seeking of accommodation at the Reserve Banks must be for legitimate commercial purposes and not to finance the security markets. The New York stock market has had the most spectacular rise ever recorded, and the volume of transactions has also been the largest on record. Speculative fever is country-wide, and attempts to curb it have not met with success.

Business in Mexico continues at low ebb, but there are signs of improvement, and it is hoped that the coming year may see a return to more normal conditions. Our seven branches in the Republic constitute an important feature in our activities.

A Prosperous Year for Canada

Canada as a whole has enjoyed more prosperity than ever before. At the commencement of 1928 a succession of good harvests had already placed the country on a prosperous footing, and the position has been further improved this year by good average yields of the staple crops in all the older provinces, while the Prairie Provinces have far surpassed their previous records. In industrial activity an extraordinary enlargement has shown itself in construction works, many being of a most impressive character. These include the further exploitation of those great natural assets, water powers, minerals, and forests. Also, we have seen a further increase in revenue from the tourist trade, now ranking high among Canada's business activities.

These factors have put large sums of money into general circulation; they have increased the demands upon many of our industries, and have created the highest scale of employment since the War. Particularly in the two chief industrial provinces, Quebec and Ontario, manufacturing has been on an unprecedented scale, despite exceptions in a few lines owing to outside competition.

In Western Canada the year has been remarkable, not only for the record grain crops in the Prairie Provinces, but also for a reduction in harvesting cost per bushel, due chiefly to good weather and partly to the growing effectiveness of agricultural machinery.

The relative decline of rural population, often the subject of comment, is partly attributable to the growing production per man-power brought about by machinery. The varied labour-saving equipment increasingly used on farms all over Canada both enlarges the productive capacity and improves the living conditions of our rural population.

These developments show the Canadian farmer to-day as a man of affairs, who is rapidly bringing his methods up to the standard of highly developed urban industries.

Commercial failures for the year ended 1st October numbered 2,073, with liabilities of $44,000,000. This compares with 2,156 failures with liabilities of $40,000,000 in 1927.

In merchandising, the year has been for many a difficult one. Modern competitive methods are working a great change in distribution. Mail order houses and the chain store system have seriously affected both wholesale and retail concerns. Many of these find it hard to contrive ways and means of meeting the new order of things, to which business interests must adopt themselves if they are to survive.

Our live-stock industry has shown marked improvement. Stimulated largely by heavy buying from the United States, cattle have been in active demand at better prices than for some years past, and the export of both cattle and sheep has shown notable growth.

Between 1918 and 1927 there was an increase of about 25 per cent. in the output of our dairy factories, and progress has continued during 1928.

Better Conditions in Maritimes

One of the happiest developments has been the definite revival of prosperity in the Maritime Provinces, now fast coming into line with the rest of Canada in this respect. Old-established industries are taking on new life; important new industries based on the exploitation of water power and forest wealth are being established; new settlers are being attracted; and tourists in ever-increasing numbers are discovering in these provinces a summer paradise. Much more can be done in these directions, and I think will be done, for the latent enterprise of the fine old stock by which these provinces are peopled is again finding adequate opportunities for expression, and a new spirit of hope and progress is everywhere in evidence.

Canada, as this year's wheat crop has so amply demonstrated, is great in agriculture, but the glory of her heritage lies in the variety of her resources. Among these, minerals are steadily growing in importance. Our mining production this year will substantially exceed a quarter of a billion dollars, and a large increase in the near future is foreshadowed by the mining plants now in construction to work newly-proven bodies of ore. Apart from this, the year has surpassed all records in the intensiveness and breadth of mineral exploration. The building up of mining industries on a large scale, centring on the northern part of the Manitoba-Saskatchewan boundary, and upon new discoveries in Northern Ontario and Northern Quebec, has given a powerful impetus to prospecting in the country between these regions and tide-water to the north. If results are commensurate with past experience in like geological formations, there will be a vast enlargement of the known potential resources of Canada.

Tourist Trade of High Importance

The tourist trade, already referred to, has risen so fast from the comparative unimportance of a few years ago that according to Government statistics tourists from abroad spent over $275,000,000 in Canada in 1927. As every province reports an even larger number of tourists this year, the spending also has no doubt been greater during 1928.

Compare this tourist trade of $275,000,000 with some other sources of the country's revenue. Thus, the value of Canada's wheat exports in 1927 was $348,000,000; of our mineral production, $245,000,000; of the output of our pulp and paper mills, $220,000,000. Evidently the tourist trade has become a Canadian business interest of high importance.

The year's developments in aviation have demonstrated that aerial communication will have an important bearing on industrial and commercial enterprise in Canada. Air-ports for domestic and international mail services have been created at various strategic centres, notably Montreal, where the nucleus of what is expected to be the terminus for trans-Atlantic dirigibles has been established in preparation for the mail and passenger service now being organized by the Royal Air Force under the auspices of the British Government. Aerial mail and express services have been established between leading Canadian cities, and between these and centres in the United States. Important progress has been made in the manufacture of aerial craft in Canada, and the formation of many flying clubs has greatly promoted the private possession of aeroplanes and the training of pilots. From a business point of view, however, these developments, striking as they are, are insignificant compared with the work done by aeroplane in opening up the hinterland to profitable exploitation, in making forest surveys, and in providing a highly effective means of forest protection. All the great developing mining camps in outlying places now have regular aerial services, carrying not only mails, but passengers and freight, and vast new fields for prospecting are being reached by aeroplanes. All this has a bearing on business activity, relatively small, perhaps, for the moment, but of high importance when considered in relation to our future development.

Enlarging Scope of Bank's Services

Your Bank, Gentlemen, has kept pace with the progress of Canada. Not only in the expansion of our branch system, but in the amplification of services at home and abroad, and notably in the development of administrative machinery, are we proving equal to the demands of a constantly-enlarging business. The extension of Canada's overseas markets has made it necessary for the Bank to provide special facilities for the financing of trade with many countries, particularly in the Far East. Since our last meeting representatives of the Bank have made an extensive tour embracing Australia, New Zealand, China, Japan, India, and the Straits Settlements. In these countries they have extended our connections and gained experience which cannot fail to be of value in the promotion of Canadian trade. This is only one indication of our forward-looking policy.

A notable feature of the year has been the increase in call loans to brokers both here and in the United States, but the Canadian figures are our more particular concern. In May, 1927, the call loans in Canada of all the banks were $178,000,000. By May of this year they had increased to $269,000,000; and at September 30th, the latest figures now available, they stood at $246,000,000. There is probably a further $200,000,000 on loan from various companies and individuals.

The development of the country's resources necessarily involves the issue of new securities, and the activity on the Stock Exchange is in part a reflection of new issues representing promotions, mergers, reorganizations, et cetera, but not all of these have been truly constructive or calculated to benefit the country or the public at large. Good times always produce optimism, but harm is bound to come of over-capitalization and of schemes which discount too far in advance the country's future prosperity. It is not for us to dictate to our borrowers against stocks their policy or the manner in which they should conduct their affairs, but it is our duty as custodians of our depositors' and shareholders' money to keep such loans within bounds when there is, as at present, an element of danger in the situation.

To sum up, I think it can be claimed that in an age tense with invention and science applied to production and distribution Canada is keeping abreast of new developments, and should, by the nature of her resources and people, reap greater profit proportionately perhaps than any other country. Canada holds in impressive measure many of the basic resources needed in new methods of production — enormous water powers for the myriad forms of electrical application; abundance of minerals for which industry makes ever-increasing demands; some of the world's greatest forest reserves; wide open plains, ideal for the application of machinery to agriculture; territory enough for unlimited expansion in population and enterprise; and lastly, a virile and aggressive people to make the most of new developments constantly arising. There is but one danger—over-optimism. We have suffered from its effects in the past. If we keep our optimism and ambition within prudent bounds, our feet firmly on solid ground, remembering that national wealth can only be created by production, there need be no fear for the future of Canada. Because we are travelling quickly, there is all the more need for travelling carefully.

Provincial Reports

The customary reports on conditions in the various provinces have been prepared and are available on request to any persons desiring them.

Report Adopted

The chairman then said:—"With your permission, we will proceed with the two resolutions to which I have referred, after which I shall move the adoption of the Report.

Mr. William McMaster then moved, seconded by Lt.-Col. Herbert Molson,

(1) Resolved:

"That Shareholders' By-law No. 7 be, and it is hereby amended, by adding thereto the following:

"The Directors may also further provide for the payment to the members of the Executive Committee of the Board of Directors such additional remuneration as the Directors think fit, but not exceeding in all a sum equal to Five thousand dollars ($5,000) each year for each member of the Executive Committee, and the sum provided for the remuneration of the Executive Committee shall be apportioned among the members of that Committee as that Committee may deem appropriate. The provisions made for the payment of the remuneration to the members of the Executive Committee during the fiscal year ended October 31st, 1928, are hereby approved and confirmed."

(2) Resolved:

"That the following be enacted as Shareholders' By-law No. II:

"Shareholders' By-law No. II

"Whereas the capital stock of the Bank is now $31,175,000, and it is expedient that it be increased as hereinafter provided:

"Be it therefore enacted that:

"The capital stock of the Bank be and the same is hereby increased to $50,000,000, that is, by the sum of $18,825,000, divided into 188,250 shares of $100 each."

The Chairman said:—

"The Ballot upon these resolutions will now be taken. With your concurrence, I will cast one Ballot for the meeting, but if any Shareholder desires to vote, he may obtain a Ballot paper from the Secretary."

The Ballot upon the two resolutions was taken, the scrutineers subsequently reporting that they had carried unanimously.

The Chairman then moved, seconded by Maj.-General the Hon. S. C. Mewburn, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The Report was unanimously adopted.

The Hon. Sir Lomer Gouin, K.C.M.G., moved, seconded by Mr. G. B. Fraser, that Messrs. James Hutchison, C.A., and Charles A. Hodgson, C.A., be appointed Auditors for the Bank for the ensuing year, and that the Ballot for the Auditors be taken at the same time as the Ballot for Directors is taken.

On motion of Mr. E. W. Beatty, K.C., seconded by F. E. Meredith, resolutions appointing the necessary proxies for the Bank at meetings of controlled companies were unanimously adopted.

Thanks to Officers

Mr. George A. Campbell, K.C., then moved, seconded by Mr. Arthur Browning, that the thanks of the Meeting are hereby tendered to the Chairman of the Board, the President, the Vice-Presidents and Directors, for their attention to the interests of the Bank.

In speaking to this resolution, Mr. Campbell said:

"I have pleasure in proposing that the Shareholders adopt a resolution expressing their appreciation of the devoted and highly successful services during the year just closed of the Chairman of the Board, the President, the Vice-Presidents and Directors of the Bank. No words of mine are necessary, I know, to secure the adoption of such a motion by this Meeting [illegible] would like to take advantage [illegible] opportunity to say merely a [illegible] two of thanks and appreciation [illegible] untiring efforts put forth on [illegible] half by those in charge of the [illegible] of this Institution.

"More particularly, I would like to refer with deep respect, to the very distinguished chairman of the Board and to his life-long service to this Bank [illegible] many different capacities.

"There is no name that stands higher in the annals of Canadian banking than that of Sir Vincent Meredith. It is a household word for the highest degree of sound banking skill, of inflexible integrity, and of unremitting devotion to duty.

"We deeply regret his enforced absence from this meeting because of illness.

"We admire the highly efficient manner in which you, Sir, as President, the Directors and Officers have carried on the work of the Bank during the year, and we note with confidence the continued maintenance of the same high standard of sound banking practice which, indeed, has become the [illegible] itable tradition of this Bank.

"We hear on all sides proclamations of the prevailing prosperity of our country, and we are glad to learn that the Bank of Montreal is playing its rightful role—second to none—in promoting that prosperity and in securing that the foundations are being laid broad and deep and durable, so that this prosperity may become a permanent part of our inheritance."

"I have pleasure in seconding the motion," said Mr. Arthur Browning. "As a shareholder, and, indeed, many years before I became a shareholder, it has always been my feeling that the Bank of Montreal occupies in the minds of the people of Canada an exalted position similar to that held by the Bank of England in the minds of the people of Great Britain. This enviable position has been gained by more than a century of conservative management by directors selected from amongst the most able and successful citizens of their time.

"We shareholders feel confident that the standard of the directors to-day for ability and integrity is as high as at any period in the bank's history."

Mr. Campbell then moved the resolution, as above:

The resolution was adopted unanimously.

The Chairman—"On behalf of my co-directors and myself, I thank you for this evidence of your confidence in our administration of the Bank. I appreciate very much what Mr. Campbell has said as to Sir Vincent Meredith. I know all here are heartbroken because he is not able to be with us to-day, and I will take great pleasure in conveying to him, what has been said."

Maj.-Gen. the Hon. S. C. Mewburn then moved, seconded by the Hon. Thomas Ahearn, that the thanks of the meeting are hereby tendered to the General Manager, the Assistant General Managers, the Superintendents, the Managers and other officers of the Bank, for their services during the past year.

In speaking to this resolution, General Mewburn said: "It is my privilege to move this resolution, which I know will be concurred in by all present. When we speak of the Bank of Montreal or think of it, it is as synonymous of the whole of Canada. The advancement and progress of Canada are linked up very closely with this great organization. The Staff of the Bank of Montreal, going back over the 111 years of its history, have [illegible] the way and blazed new trails throughout this great country, in which we are privileged to live. We have [illegible] branches in Canada. The number of employees is 6,359. That large staff under the direction of our very [illegible] General Manager, assisted by the Assistant General Managers, the Superintendents and Branch Managers throughout this country, are carrying on their duties to the greatest satisfaction of the Directors of the Bank. They have an esprit de corps worked up by the high ideals of not only the present General Manager but by his predecessors; and every member of the Staff of the Bank of Montreal is loyal and faithful to duty."

"I have much pleasure in seconding this resolution, and it is unnecessary for me to add to the remarks already made," said the Hon. Thomas Ahearn.

The motion was carried with applause.

In reply to this, the General Manager, Sir Frederick Williams-Taylor, said:

"On my own behalf, and on behalf of all other members of the Staff, I beg to express my warmest thanks for your commendation. It is inspiring to have our services recognized in such generous terms. I firmly believe that never before in the history of the Bank have we had a more active, efficient and zealous Staff, and, if I may say so, that is the best guarantee of a continued sound and progressive administration."

The Chairman then said: "The remaining business before the meeting is the ballot for the appointment of Auditors and the election of Directors for the ensuing year. The ballot is now open for these purposes."

The ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The scrutineers appointed for the purpose reported that Messrs. James Hutchison, C.A., and Chas. A. Hodgson, C.A., were duly appointed auditors, and the following gentlemen duly elected directors: the Hon. Thomas Ahearn, D. Forbes Angus, E. W. Beatty, K.C., W. A. Black, the Hon. Henry Cockshutt, Gen. Sir Arthur Currie, G.C.M.G., K.C.B., H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., the Hon. Sir Lomer Gouin, K.C.M.G., Harold Kennedy, J. W. McConnell, William McMaster, F. E. Meredith, K.C., Sir Vincent Meredith, Bart., Major-General the Hon. S. C. Mewburn, C.M.G., F. W. Molson, Lieut.-Col. Herbert Molson, C.M.G., M.C., James [illegible]

The meeting then terminated.

At a subsequent meeting of the directors, Sir Vincent Meredith, Bart., was elected chairman of the board; Sir Charles Gordon, G.B.E., was elected president, and Mr. H. R. Drummond and Major-Gen. the Hon. S. C. Mewburn, C.M.G., were elected vice-presidents.

The executive committee of the board was appointed, consisting of Sir Vincent Meredith, Bart., Sir Charles Gordon, G.B.E., Mr. H. R. Drummond, Major-Gen. the Hon. S. C. Mewburn, C.M.G., and Mr. E. W. Beatty, K.C.

Sterling Trust Corporation Moves to "Sterling Tower"

The Sterling Trusts Corporation, Toronto, have moved their head office to new quarters, located on the main floor of the new "Sterling Tower" at the corner of Richmond and Bay Streets, Toronto. This building is one of the most imposing structures on Bay street and has just been completed. Expansion of business necessitated larger quarters. These offices which will occupy the entire floor are finished in marble, bronze and mahogany trimming. Modern equipment for the handling of trust business has been installed, including new safe deposit vaults, combining the latest ideas in safe deposit construction.

SAFEWAY STORES IN CANADA

Another chain-store grocery company will enter Canada. According to a dispatch from Vancouver, the Safeway Stores, which operates 125 units in the Western States, will establish a chain in Canada. The capital, it is reported, will be supplied from the United States.

BREWERIES STOCK GIVES HIGH YIELD FOR INDUSTRIAL

Average Yield of Dividend Payers Is Better Than 6 Per Cent

From Our Own Correspondent

MONTREAL.—In view of the unsettled state of liquor legislation in the past few years, it is not surprising that the yield on the common stocks of the listed brewing concerns should be considerably higher than many other stocks of companies occupying a similar financial position. Of seven dividend paying brewing companies, listed on the Toronto and Montreal boards, four are yielding over 7 per cent., two over 5, and the last company yields just under 5 per cent.

As things stand to-day, the outlook for the brewing industry is better than it has been for many years. Legislation permitting the sale of beer is now in force in most provinces, and there does not seem any reason to expect a change in these laws in the immediate future at least. But doubtless investors, wary of the many and rapid changes which a change of government can bring about, are loathe to discount the earnings prospects of the brewing concerns, which in many cases appear excellent.

The report of the brewing industry published by the Dominion Bureau of Statistics shows a general growth throughout the industry over last year including the number of plants operating, capital investment, and the gross and net value of the products. In 1927 the gross production was 53,976,181 gallons with a value of $49,664,596, as opposed to 46,350,118 representing a total value of $40,792,412 in 1926. Here is a gain of approximately $9,000,000 or 22 per cent. which has been distributed among the 73 plants in operation in 1927. It seems reasonable to believe that the older and larger companies, with their big production and their proven market would absorb a proportionately large share of this increase of consumption.

In fact fourteen breweries had a gross value of production of 67.2 per cent. of the total output. Exports of Canadian beer, though totalling 3,916,163 gallons in 1927 showed a decrease of 322,922 from the total of the previous year. A comparison of seven brewing concerns, listed on the stock exchange and paying dividends on common stock is given below. None of the companies has a funded debt.

	Preferred	Common	Par Val.	Div.	Yield	Price
Assoc. Breweries	$1,500,000	194,117	n.p.v.	$1	5.00	20
Bradings	$100,000	22,000	n.p.v.	$2	8.51	24½
Can. Brewing	None	100,000	n.p.v.	$2	7.14	29
Carlings	None	160,007	n.p.v.	$2	5.67	35
Cosgraves	None	$1,000,000	$10	6%	8.57	7½
Nat Breweries	$2,775,000	180,343	n.p.v.	$4	2.81	139

Manitoba Rolling Mills to Build Calgary Plant

From Our Own Correspondent

CALGARY.—Two large new industrial concerns, one of which will employ at least 160 men, will locate in Calgary and will build a large factory on a 12 acre site just sold to them by the city.

The purchase of the land from the city was confirmed by T. R. Deacon, vice president of the Manitoba Rolling Mills Company, of Winnipeg.

The Manitoba Rolling Mills Company through their local officials deposited a cheque for $1,000 with the city land department this week and so completed the purchase of the land on which their modern steel rolling mill plant will be built. The plant will cost in the neighborhood of $400,000 at the outset and will employ close to 160 men, and will be erected on part of what is known as the Walker Estate in East Calgary.

Plans for the construction of the plant are already under way and shall be completed in a short time. The plant will be equipped with the latest open air furnaces.

EXPECT RECORD YEAR FOR STAND. PAVING

Many Contracts Already Signed for 1929 Business

Standard Paving Ltd. has experienced an exceedingly good year and earnings are expected to exceed all past records according to an announcement issued by the company. Signed contracts sufficient to handle next year's dividends have already been secured by the company. Since 1923 until two years ago the company handled a business of close to one million dollars annually and two years ago the business increased to a million and a quarter.

The first issue of stock of the company was floated in 1920. Preference shares were retired during the first four years of operation. In April, 1928, the common stock was split and appeared on the Standard Stock Exchange. The dividend policy of the company has been very conservative in the past, but an extra cash bonus was given at the end of the last quarter, October 31.

DIVERSIFIED INVESTMENT TRUST LIMITED

A Scientific Method of Investing.

The funds of this Trust are Diversified as to industry, location and as to the amount in each security.

WRITE FOR BOOKLET AND INFORMATION.

FEDERAL BOND & SHARE COMPANY
Dominion Bldg., 465 Bay St.
Toronto — Canada

Brading's Now Earning Over $4.50 a Share

From Our Own Correspondent

MONTREAL.—Brading Breweries are now earning at the rate of between $3.50 and $4 per share, according to current monthly market letter of Johnston and Ward, which contains reviews of all the beverage stocks and says on Bradings in particular:

"A marked improvement is indicated in the earning power of this company and further gains are expected from the addition of a new bottling plant to the existing equipment at Ottawa. Sales this summer were the largest in the company's 62 years of operations. Gradually the area of distribution of the company's products has been increased until now every one of the hundred or more warehouses of the Ontario Liquor commission is covered. A large portion of the distribution is done by the company's own trucks. The stock has been placed on a regular dividend basis of $2 a year, and earnings are understood to be running between $3.50 and $4 per share."

BRITANNIC SECURITY CORPORATION LTD.
(Incorporated 1923)
INVESTMENT BROKERS
TORONTO
77 Victoria St.
ELgin 4226

Can. Radio Companies Make Big Gain in Year

DeForest Crosley Ltd. announce that sales of radio for the month of November create a new record month for the company and show an increase of 117 per cent. over November, 1927. Shipments made by the company during the month to distributors exceeded one million dollars in retail value. The November record follows an unbroken series of monthly sales increases since the announcement of the new DeForest Crosley models in June.

Information available indicates that the entire Canadian radio industry will show an increase in volume of sales for 1928 over 1927 of 40 per cent. The present year has been the most prosperous in the history of the Canadian end of the industry.

Complete production of DeForest Crosley radios to the end of 1928 has been absorbed by retail dealers and it is anticipated that total sales for 1928 will be 50 per cent. in excess of those of 1927.

James Richardson & Sons
Investment Bankers
Stocks and Bonds

Private Wire Connections throughout Canada and the U.S.A.

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MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET

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Edmonton — Saskatoon

CPTC

"Seeing the Game Through"

There are powers which should be given in your Will to Executors and Trustees, to ensure your Estate being properly handled. To simply devise your Estate to your beneficiaries without full consideration of these and other facts, is not, in many cases, "seeing the game through" in that way which we all like to think we are doing.

We shall be glad to discuss the subject with you

THE CANADA PERMANENT TRUST Co.
Paid-up Capital One Million Dollars
TORONTO STREET, TORONTO
MANAGER, ONTARIO BRANCH . . A. E. HESSIN 35

Word from headquarters in Chicago comes that Canada has 6,000 entries at the International Livestock Exposition.

Canada is represented in practically every breed of livestock and of course, is particularly strong in grain exhibits.

He clears the LINE

IN THE TELEPHONE BUSINESS this man is called a "trouble-shooter", which may sound like sport but it isn't for him.

Any hour of the night he may be roused from sleep. Somewhere the line is down and it is up to him to fix it. Right away.

Usually the line is down because there has been a storm. It isn't much fun to cling to the top of a pole with a zero gale taking your breath away.

FINDING THE BREAK in the line is not as bad as it used to be. It used to mean that men had to trudge along through the storm, perhaps for miles, until the bad spot was found. Today there are delicate instruments which can locate the spot within a few rods from an office many miles away.

They are so accurate that if there is a break in the 180 miles of line between Toronto and Sarnia, a man can sit in a building in Toronto and locate the spot within a pole's length or so. Or a man can sit in a building in Montreal and find a break anywhere between there and Quebec.

He can tell the trouble-shooter almost the very pole to go to because every pole now is numbered.

BUT THE TROUBLE-SHOOTER has to do the actual job and it means more than losing sleep or braving bad weather. It calls for very high technical skill.

Big cables are simply lead containers holding hundreds of tightly packed wires, each fine as a hair. When the cable is burnt out for a stretch, or is opened, there is a fine looking mess. It looks like the stuffing of a hair mattress.

Each of these hundreds of fine wires has to be connected again to its mate in the other half of the cable. If you can imagine yourself fingering those wires at two o'clock of a stormy wintry morning you will realize how good the trouble-shooter has to be at his job.

STORMS COST MONEY as well as discomfort. The telephone system has over 675,000 miles of wire strung on poles stretching across 23,000 miles of country and every storm hits some part of the system. A big storm can do a great deal of damage.

Sleet has cost the telephone company as much as a million dollars in one year. Sometimes one storm means spending more than $100,000 without delay.

There is no time to call the directors together. The job has to be done and the money must be spent.

The money is ready because the telephone company has followed a policy of making definite provision for such emergencies.

And the job is done because the telephone business has men and women, like the trouble-shooter, alive to the meaning of service and eager to keep the telephone in the front rank of Canadian progress.

THE BELL TELEPHONE COMPANY OF CANADA

Published by The Bell Telephone Company of Canada to tell you something about the telephone business and the people in it. 180

THE
Announcement
of
Cockfield, Brown
& Company Limited
combining
The ADVERTISING SERVICE Company, Limited
and
NATIONAL PUBLICITY Limited

FOR the purpose of enlarging their scope of operation in merchandising and advertising, National Publicity Limited, of Montreal, and The Advertising Service Company, Limited, of Toronto and Montreal, have combined their interests and resources and will operate as one organization under the name of Cockfield, Brown & Company Limited.

The new company will maintain offices in Montreal and Toronto. The standards and policies governing the former organizations, and the executives administering the accounts of present clients will remain unchanged.

The officers of Cockfield, Brown & Company Limited, will be the former heads and executives of the two combining companies.

G. WARREN BROWN, *President*
H. R. COCKFIELD, *Vice-President and Managing Director*
EMILE M. EMERY, *Vice-President*
T. L. ANDERSON, *Vice-President and Manager Toronto Office*
H. D. CANTLON, *Vice-President*

OFFICES
TORONTO: Metropolitan Bldg. — MONTREAL: Canada Cement Bldg.
MONTREAL: Mark Fisher Bldg.

and affiliations in the leading cities of the United States, Great Britain and the Continent

Nation's Commerce

Activities of Canadian Chambers of Commerce from Coast to Coast

From Our Own Correspondent

MONTREAL.—It is felt that the conference held in Toronto recently between the executives of the Canadian Chamber of Commerce and the representatives of agriculture from the various provinces was entirely successful, though it represented only a preliminary step in what is hoped to develop into a much larger movement. The reaction to this discussion should be favorable. The representatives of agriculture have carried away with them the conviction that the Canadian Chamber of Commerce is ready and willing to co-operate with them in all matters touching a closer relationship between agriculture and industry. Plans for a similar conference on a considerably larger scale will be discussed at the meeting of the National Executive to be held early in 1929 in Hamilton.

* * *

The Canadian Chamber of Commerce is preparing to hold its first National Referendum in January on the subject of the completion of the Trans-Canada Highway. Its purpose is to discover the views of business men, as represented by the 171 Boards and Chambers, as to the policy to be pursued by the Federal and Provincial Governments, in this respect.

* * *

The Business Committee has decided to hold the opening session of the Fourth Annual Convention of the Canadian Chamber of Commerce in Edmonton, on September 11th, 1929. The second and third days' sessions will be held in Calgary on September 12th and 13th.

* * *

A new Board of Trade has been organized at Teulon, Manitoba. Reorganization of boards has taken place in Whitewood, and New Glasgow, Nova Scotia. Membership campaigns are being conducted in Edmonton, Sarnia, Galt and Regina.

* * *

The Vancouver Board of Trade is taking steps to organize a Better Business Bureau. It is also seeking to abolish down town parking.

* * *

The Oshawa Chamber of Commerce is planning the construction of an Incubating Industrial Building. The purpose of this building is to provide for the housing and growth of several small industries. It will enable a small industry to benefit by the facilities which the building offers till the business is of sufficient size to take care of itself.

* * *

The Canadian Chamber of Commerce recently sent out to all Boards and Chambers in Canada a questionnaire concerning the structure and functions of the various local Boards and Chambers. From the first 100 replies, the following are among the answers to the question, "What are your Committees, Bureaus, and Sections?"

Community Chest; City Planning; Tourist; Publicity; Highway; Convention; Aviation; Automobile; Real Estate; Health; Fire Prevention; Broadcasting; Clean-up; Social Welfare; Civic Improvement; Traffic; Grain Competition; Livestock; Marketing; Exhibitions; Customs; Transportation; Hydro; Mining; Interprovincial Trade; Retail Trade; Wholesale Trade; Foreign Trade; National; Empire Shopping Week; Commercial Arbitration; Retail Credit; Young Men's Section; Business Legislation; Fish and Game; Membership; Entertainment; Goodwill Tours; Finance; Luncheon; Education; Immigration; Public Utilities; Forestries; Insurance; Better Business; Legal; Rural Relations; Program of Work; Sports; Mail Service; Citizenship; Taxation.

* * *

The Maritime Transportation Commission, which is sponsored by the Maritime Boards of Trade has been carrying on work for some time of vital importance to Maritime business men generally. The results achieved to date have been succinctly outlined in the current issue of the monthly bulletin of the Saint John Board of Trade which says in part:

"In three years, Maritime transportation activities have resulted in a saving of about $6,500,000 on the freight bills of our shippers; and this has been accomplished at a cost to the three provincial governments of merely about $30,000. With the exception of the traffic specialist, the legal counsel and a stenographer, all others serve on the Maritime Transportation Commission in a purely honorary capacity—and they work hard."

Sales Manager

J. C. KLOCK.
newly appointed bond sales manager of the investment banking house of H. B. Robinson and Co. For the past two years Mr. Klock has been with the bond department of A. E. Ames and Co.

Initial Sum of $21.50 for Conn. Cotton Common

From Our Own Correspondent

MONTREAL. — Shareholders of Canadian Connecticut Cottons have been notified that an initial payment of $21.50 will be made on each share of the no par common stock, in the distribution of the company's assets, now under way. The new capital structure was brought into effect following the sale of the property to representatives of the Dominion Textile Company. In this re-organization holders of the old preferred stock received $50 par value of a $100 debenture and two shares of the new no par common. Holders of the old common received one tenth of a share of the new common stock.

As the debentures are now being redeemed at 103, the holder of one share of old preferred stock is already entitled to $51.50 for his half debenture and $43 for his two shares of new common, a total of $94.50 for his original $100 preferred share in the company.

As this disbursement on the common shares is made as an initial payment, it seems probable that the preferred shareholder will eventually reclaim the full value of his original investment. This distribution is in line with the forecast made in The Financial Post some three weeks ago, when the sale of Canadian Connecticut Cottons was announced.

Say Canadian Pacific Soon to Issue Stock

From Our Own Correspondent

MONTREAL.—The current market letter of Greenshields and Company, investment bankers, indicates that the Canadian Pacific Railway may shortly issue valuable rights to its shareholders in the following terms:

"In the light of the recent strength in the market for C.P.R. shares further financing by the issue of new stock to shareholders would appear probable. An issue of say $30,000,000 new stock, which would be in a proportion of 10 to 1, around 150 to 175, would confer valuable rights on shareholders. Large expenditures are in contemplation for next year and it is logical to expect, in keeping with C.P.R.'s past policy, that a fair proportion of this capital will be provided through an offering of common stock."

A new company, the Saskatoon Broom and Brush Company, will begin operation at Saskatoon before the end of the year. The broom corn is being imported from Illinois, Oklahoma and Kansas.

Life Underwriters Meet in Toronto in January

The Life Underwriters Association of Canada moved into more commodious office quarters in Toronto early in December. The new address of the association is Rooms 901-08 Commerce and Transportation Building, Toronto 2. The expansion of the association during the past few years and the enlarged activities that are being undertaken have necessitated the change in order that the association will have room for future growth.

The annual meeting of the Life Underwriters Association will be held in Toronto on February 8.

At Peterboro recent industrial expansion has caused something like a realty boom. The Examiner points out that while at this time last year there were 125 houses vacant, the number is now reduced to ten, which all rate high—this in spite of an active building programme in recent months. Industrial expansion during the last three years and for the next three will run to more than $5,000,000.

The Immigration Department of New Brunswick anticipates the settling of 150 British families in the province during 1929.

ENGRAVERS AND PRINTERS

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POPULAR *because*
ALWAYS MELLOW FRAGRANT SATISFYING THROUGH RIGID SELECTION OF THE FINEST LEAF
Smoke
SIMONS CIGARS
ALL SIZES ONE QUALITY

Charles Walmsley & Co. (Canada), Limited

Dominion Engineering Works, Limited, announces that arrangements have been made by which it guarantees the completion of all orders for machinery now on the books of Charles Walmsley & Co. (Canada) Limited, and to pay all outstanding trade liabilities of that Company.

Dominion Engineering Works, Limited,
By G. H. DUGGAN, President.

THE McKINNON INDUSTRIES, LIMITED, ST. CATHARINES AND McKINNON DASH COMPANY, BUFFALO

CONSOLIDATED INCOME ACCOUNT for year ending 30th September, 1928.

Gross Profits (including interest on Companies' Bonds held in Treasury) after providing for all operating and administration charges	$635,011.78	
Sundry Adjustment	20,959.58	
		$655,971.[illegible]
Depreciation	$184,060.45	
Dominion Income Tax	29,000.00	
		213,0[illegible]
		$442,910.[illegible]
Interest on 6½% 1st Mortgage and Collateral Trust Bonds	$ 61,360.00	
Dividend for year to 30th September, 1928, on Preference Stock	67,662.00	
		129,0[illegible]
		$313,8[illegible]
Surplus as at 30th September, 1927		185,0[illegible]
Surplus at 30th September, 1928		$498,981.6[illegible]

CONSOLIDATED BALANCE SHEET as at 30th September, 1928

ASSETS

Current Assets:			
Cash in Banks and on hand		$ 208,683.63	
Call Loan		400,000.00	
Accounts and Bills Receivable	$411,148.92		
Less: Reserve for bad debts	22,541.31		
		388,607.61	
Inventories of Raw Materials and Supplies on hand and in transit and stock finished and in process		780,204.15	
			$1,777,495.39
Company's own Bonds—par value $220,000 at cost			212,113.75
Fixed Assets:			
Land, Buildings and Equipment as appraised in 1920 with later additions at cost	$2,975,985.12		
Less: Reserve for Depreciation	1,117,941.01		
	$1,858,044.11		
Tools, Dies and Gauges	122,976.66		
Patterns	7,060.54		
Sundry Assets	22,839.01		
			2,010,920.32
Deferred Charges for Tool Expenditures, Insurance, Taxes, etc.			41,746.32
Patents			12,036.81
Goodwill			1.00
			$4,054,313.59

LIABILITIES

Current Liabilities:		
Accounts Payable	$ 129,134.02	
Accrued Wages, Bonuses and Sundry Charges	36,489.76	
Interest on 1st Mortgage and Collateral Trust 6½% Bonds due 1st October, 1928	23,530.00	
Dividend payable 1st October, 1928, on Preference Stock	16,896.75	
Reserved for Dominion and United States Federal Income Taxes	64,211.81	
		$ [illegible]
Contingency Reserve:		
Against claim by United States for taxes on a former subsidiary company. This claim is being resisted and opinion of Counsel has been obtained that the amount payable, if any, will not exceed		[illegible]
First Mortgage and Collateral Trust 6½% Bonds due 1st October, 1945	$1,000,000.00	
Less: Redeemed	56,000.00	
		944,[illegible]
Capital authorized and issued:		
Cumulative Redeemable 7% Preference Stock in shares of $100.00 each	$1,000,000.00	
Less: Redeemed and held for Redemption	45,900.00	
	$ 954,100.00	
No Par Common Stock—50,000 shares	1,287,169.64	
Surplus	498,981.61	
		2,740,[illegible]
		$4,054,[illegible]

UNITED GRAIN GROWERS LIMITED

Balance Sheet and Profit and Loss Account
AS AT 31st AUGUST, 1928

PROFIT AND LOSS ACCOUNT
For Year Ending 31st August, 1928

By Earnings Consisting of Profits from Grain, Storage and Handling Charges, Farm Supplies, Dividends from Investments, Sale of Properties, etc.		$3,347,315.00
To Expenses Consisting of Wages and Expenses operating Country Elevators, Handling and Selling Expenses of Farm Supplies, etc., and General Administrative Expenses, Rentals, Insurance, Taxes, etc.	$2,141,068.72	
To Interest on Bonds, Mortgages and Debentures	193,141.18	
To Depreciation On Elevator Buildings and Machinery, Warehouses and Miscellaneous Equipment.	298,273.99	2,632,483.89
Balance, being Net Profit, subject to Government Taxes, carried to Balance Sheet		$ 714,831.11

GENERAL BALANCE SHEET

ASSETS

CURRENT ASSETS			$5,873,102.87
Funds in Bank and On Hand		$1,561,507.23	
Funds in Hands of Trustee for Bondholders		368,958.00	
Bonds—Dominion of Canada and Provincial Government, etc., at market		944,994.70	
Advances on Bills of Lading and Other Debts due to the Company After providing for estimated Doubtful Accounts.		570,709.40	
Stocks of Grain and Farm Supplies As per Certified Inventories.		460,491.09	
Miscellaneous Supplies, Accruals and Deferred Expenses As per Certified Statements.		499,486.60	
Stocks and Shares and Exchange Memberships		1,450,610.80	
		$5,856,757.82	
Advances to Subsidiary Companies		16,345.05	
		$5,873,102.87	
CAPITAL ASSETS			$6,914,654.54
Elevators, Machinery, Warehouses and Miscellaneous Equipment		$9,115,243.46	
Office Furniture and Equipment		99,411.08	
		$9,214,654.54	
Less: Reserve for Depreciation After adding customary depreciation provision and appropriation from Profit and Loss Account and deducting adjustments for Buildings and Equipment sold.		2,300,000.00	
		$6,914,654.54	
			$12,787,757.41

LIABILITIES

CURRENT LIABILITIES			$2,925,134.26
Outstanding Cheques		$ 658,298.11	
Outstanding Orders and Cash Tickets		85,891.49	
Accounts and Bills Payable (including Sundry Accruals)		856,391.17	
Shareholders' Dividends		263,572.80	
		$1,864,153.57	
Deposits by Subsidiary Companies		1,060,980.69	
		$2,925,134.26	
CAPITAL LIABILITIES			4,563,554.82
First Mortgage Sinking Fund Gold Bonds (Maturing 2nd January, 1948). Authorized, $7,500,000.00. Issued, $3,750,000.00.		$3,750,000.00	
Mortgages		813,554.82	
		$4,563,554.82	
CAPITAL STOCK			3,096,695.02
Amount Subscribed		$3,325,700.00	
Less: Amount Unpaid		229,004.98	
		$3,096,695.02	
GENERAL RESERVE			1,700,000.00
Amount as at 31st August, 1927		$1,500,000.00	
Premiums on Capital Stock (Net)		14,988.09	
Amount Transferred from Surplus		185,011.91	
		$1,700,000.00	
SURPLUS			502,373.31
Amount Accumulated to 31st August, 1927		$ 605,987.83	
Less: Federal Taxation, 1927		49,205.02	
Profit for Year Ending 31st August, 1928		$ 556,782.81	
Subject to Federal Taxation, and in terms of separate Statement.		714,831.11	
		$1,271,613.92	
From which has been appropriated:			
Patronage Dividend	$114,756.27		
Shareholders' Dividend at 8% per annum	243,156.77		
To General Reserve	185,011.91		
To Reserve for Depreciation	226,315.66		
		769,240.61	
All in accordance with resolution of the Board of Directors.		$ 502,373.31	
			$12,787,757.41

Signed on behalf of the Board of Directors.
T. A. CRERAR, President.
C. RICE-JONES, First Vice-President.

Winnipeg, 25th October, 1928.

We beg to report to the Shareholders that we have audited the Books and Accounts of United Grain Growers Limited for the year ending 31st August, 1928, and we hereby certify that, in our opinion, the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs as at that date, according to the best of our information and the explanations given us and as shown by the Books of the Company. The quantities and values of the Stocks of Grain, Farm Supplies, etc., are in accordance with inventories and valuations prepared and certified to by the Company's officials, whilst the securities covering the investments in Stocks, Shares and Memberships have been produced for our inspection or authenticated by certificates from the Company's Bankers, as also have the Funds standing to the Company's credit in the Banks. All our requirements as Auditors have been complied with.

(Signed) JOHN SCOTT & CO., Chartered Accountants.

NEW ISSUE

$12,000,000
Quebec Power Company

First Mortgage and Collateral Trust Sinking Fund Gold Bonds
Series "A", 5%

Dated December 1st, 1928 Due December 1st, 1968

Interest payable semi-annually June 1st and December 1st. Principal and interest payable at The Royal Bank of Canada, Montreal, in Canadian gold coin, or at the Bank of the Manhattan Company in the City of New York, in United States gold coin. Coupon Bonds of $1,000 and $500 denominations, with privilege of registration as to principal only. Callable on thirty days' notice as a whole at any time or in part on any interest date, at 104 and interest on or before December 1st, 1933, the premium thereafter decreasing ½% during each five year period to 100½ and interest during the last five years prior to maturity.

Trustee: National Trust Company Limited, Montreal

CAPITALIZATION
(Upon completion of present financing)

	Authorized	Issued
Common Shares (No Par Value)	600,000 shares	502,372* shares
First Mortgage & Collateral Trust Sinking Fund Gold Bonds	$100,000,000	
Series "A", 5% (this issue)		$8,106,500.
Series "A", 5% Sterling Debenture Stock (this issue)		£800,000.

These Bonds will be offered simultaneously in Canada and the United States, and at about the same time there will be offered in London the £800,000 of 5% Debenture Stock, making up the principal sum of $12,000,000 Series "A" Bonds.

*Note:—The Shawinigan Water & Power Company controls Quebec Power Company through ownership of the majority of the common shares.

From letter of Mr. Julian C. Smith, President, we summarize as follows:—

BUSINESS: Quebec Power Company is the only Company producing and distributing electric power and gas in the City of Quebec and surrounding districts, the population of the territory served being over 300,000.

The Company owns all of the capital stock of the Quebec Railway, Light & Power Company which owns and operates the only street railway in Quebec City and suburbs and an electrically equipped railroad from Quebec to Ste. Anne de Beaupré.

PROPERTIES: Quebec Power Company owns five hydro-electric plants with a total capacity of 38,800 horse-power, 530 miles of transmission and distributing lines and a steam station of 3,300 horse-power capacity. It purchases additional energy from The Shawinigan Water & Power Company under long term contracts, thus affording an adequate supply of electric power. The Company also owns a gas plant with a present capacity of 1,000,000 cubic feet per day, together with a gas distributing system in the City of Quebec. The capacity of the gas plant is now being increased to 3,000,000 cubic feet per day.

The Quebec Railway, Light and Power Company owns 41 miles of track in the City and suburbs of Quebec, 107 cars and 15 autobuses. The electrically equipped railroad to Ste. Anne de Beaupré is 25 miles long and connects with the Quebec and Saguenay Division of the Canadian National Railways.

SECURITY: The First Mortgage and Collateral Trust Sinking Fund Gold Bonds will be secured by a direct first mortgage upon all of the Company's immoveable property and transmission lines owned on December 1st, 1928, and by a floating charge upon all of the Company's other moveable assets now owned or hereafter acquired. They will be additionally secured by pledge of all of the outstanding capital stock of the Quebec Railway, Light and Power Company which has no funded debt. The Mortgage will provide that any funded debt hereafter created or any capital stock hereafter issued by the Quebec Railway, Light and Power Company shall be issued only to Quebec Power Company and shall be forthwith pledged under the Mortgage securing these First Mortgage and Collateral Trust Sinking Fund Gold Bonds.

Upon completion of present financing the $12,000,000 Series "A" Bonds will constitute the only funded debt of the Company. The total book value of the properties of Quebec Power Company upon which these Bonds will be a direct first mortgage exceeds $19,000,000 and the total book value of the properties of the Quebec Railway, Light and Power Company exceeds $7,000,000.

EARNINGS: The gross earnings of the Company (including companies then subsidiary) for the year ended December 31st, 1927, were $4,725,083. The combined net earnings before interest charges were $1,876,000, of which more than 74% was received from the sale of gas and electricity.

Net earnings (before depreciation) of the Company and its wholly owned subsidiary for the year ending December 31st, 1928 (last two months estimated) available for interest on these Bonds will, it is estimated exceed $2,100,000, more than 3.5 times the $600,000 interest requirement on these Bonds.

PURPOSE OF ISSUE: Proceeds of this issue will be used to liquidate indebtedness heretofore incurred to retire all funded debt of former subsidiary Companies (all of whose assets and properties have been acquired by the Company); to retire the 6% First Mortgage Bonds of the Company called for redemption on April 1st, 1929; and to defray cost of additions and improvements.

EQUITY: At current quotations the aggregate indicated market value of the Common Stock of Quebec Power Company amounts to over $42,000,000.

SINKING FUND: A Sinking Fund of 1% per annum, (first payment December 31st, 1930) on largest amount of First Mortgage and Collateral Trust Gold Bonds outstanding in each year is to be used for purchase or call and retirement of Bonds issued under this Mortgage.

PRICE 97 AND ACCRUED INTEREST YIELDING ABOUT 5.18%

We offer these Bonds when, as and if issued and received by us.

All legal details in connection with this Issue will be approved by Messrs. Lafleur, MacDougall, Macfarlane & Barclay, Montreal.

Aldred & Company Limited **Wood, Gundy & Company** Limited

The statements contained in this advertisement are not guaranteed, but are based upon information we believe to be reliable and on which we acted in purchasing these securities.

December 6, 1928.